

2-3704. Loans; application; limitations; use; approval or rejection. (a) The state treasurer is hereby authorized to disseminate information and provide remediation linked deposit loan packages to lending institutions eligible for participation in the remediation linked deposit loan program.

(b) The remediation linked deposit loan package shall be completed by the eligible person applying for the loan before the package is forwarded to the lending institution for consideration.

(c) (1) An eligible lending institution that agrees to receive a remediation linked deposit shall accept and review applications for remediation linked deposit loans from eligible persons. The lending institution shall apply all usual lending standards to determine the credit worthiness of eligible persons applying for remediation linked deposit loans. The total amount of linked deposit loans for any one site shall not exceed \$300,000. The total amount of linked deposits pursuant to K.S.A. 2-3701 through 2-3714, and amendments thereto, shall not exceed \$5,000,000 at any one time.

(2) Only one remediation linked deposit loan shall be made and be outstanding at any one time to any eligible person.

(3) No remediation linked deposit loan shall be amortized for a period of more than 10 years.

(d) An eligible person applying for a remediation linked deposit loan shall certify on the loan application that the loan will be used exclusively for the purpose of paying costs of corrective action approved by the department of health and environment or taken in accordance with requests or orders issued by the department of health and environment.

(e) The eligible lending institution may approve or reject a remediation linked deposit loan package based on the lending institution's evaluation of the applicant included in the package, the amount of the individual loan in the package and other appropriate considerations.

(f) The eligible lending institution shall forward to the state treasurer an approved remediation linked deposit loan package, in the form and manner prescribed and approved by the state treasurer. The package shall include information regarding the amount of the loan requested by the applicant and such other information as the state treasurer requires, including a certification by the applicant that the applicant is an eligible person.

History: L. 2000, ch. 82, § 4; July 1.