

**75-37,119. Loan agreements; terms; forms; considerations; collection procedures.** (a) In accordance with the provisions of this section, the secretary is hereby authorized to enter into loan agreements with government agencies for the purposes stated in K.S.A. 75-37,117 and to loan moneys in the alternative-fuels government fleet loan fund in accordance with such agreements.

(b) Loans made from the alternative-fuels government fleet loan fund may be for the following amounts:

(1) For the incremental cost of purchasing a new alternative-fueled vehicle:

(A) A maximum of \$2,000 per vehicle for vehicles having a gross vehicle weight of 10,000 lbs. or less; (B) a maximum of \$5,000 per vehicle for vehicles having a gross weight of more than 10,000 lbs. but less than 26,000 lbs.; and (C) a maximum of \$50,000 for vehicles having a gross vehicle weight of 26,000 lbs. or more;

(2) for the conversion of a new or used vehicle designed to operate on conventional gasoline or diesel fuel to operate on an alternative fuel:

(A) A maximum of \$2,000 per vehicle for vehicles having a gross vehicle weight of 10,000 lbs. or less; (B) a maximum of \$5,000 per vehicle for vehicles having a gross weight of more than 10,000 lbs. but less than 26,000 lbs.; and (C) a maximum of \$50,000 for vehicles having a gross vehicle weight of 26,000 lbs. or more; and

(3) a maximum of \$100,000 for the construction of alternative-fuel fueling stations;

(c) No government agency shall be entitled to receive an aggregate amount of more than \$100,000 in loans for new alternative-fueled vehicle purchases or vehicle conversions in any fiscal year, nor shall any government agency be entitled to receive an aggregate amount of more than \$100,000 in loans for construction of alternative-fuel fueling stations in any fiscal year.

(d) Government agencies receiving loans from the alternative-fuels government fleet loan fund shall:

(1) Agree to use the alternative fuel for which any alternative-fueled vehicle is purchased or converted using loan proceeds;

(2) agree to notify the secretary in writing if a vehicle converted using loan proceeds becomes inoperable through mechanical failure or accident and to pursue a remedy outlined in rules and regulations;

(3) provide reasonable data requested by the secretary on the performance of alternative-fueled vehicles purchased or converted with loan proceeds;

(4) submit alternative-fueled vehicles purchased or converted with loan proceeds to reasonable inspections by the secretary as required by rules and regulations; and

(5) make alternative-fuel fueling stations constructed with loan proceeds available to other government alternative-fueled fleets and, within the capacity of the fueling facility, to public alternative-fueled vehicle operators.

(e) Each loan agreement entered into under this section shall fix the terms of repayment and shall provide for interest payable on the loan. Such interest may be at fixed or variable rates. Such terms of repayment shall be fixed to require a loan repayment schedule not to exceed four years. When developing repayment schedules for loans, the secretary shall consider the projected savings to the government agency resulting from the use of an alternative fuel.

(f) The secretary shall develop uniform application forms to be used for all loans.

(g) The secretary shall evaluate the plans developed by the applicant government agency for converting its fleet to operate on alternative fuels and shall give preference in making loans to those government agencies which are prepared to make substantial investments of their own funds in converting their fleets to operate on alternative fuels and which are prepared to work cooperatively with the state, other government agencies and private sector persons in developing an alternative-fuels fueling infrastructure in the state.

(h) The secretary may utilize the collection procedures provided in K.S.A. 75-6201 et seq., and amendments thereto, to collect delinquent loan payments by deducting the delinquent amount from payments from state agencies to the government agency that is delinquent in its loan repayment.

**History:** L. 1995, ch. 262, § 5; July 1.