

2023 Kansas Statutes

76-1959. Northeast Kansas veterans home capital improvement project; issuance of bonds by Kansas development finance authority; limitations; debt service; approval by state finance council.

(a) (1) Except as provided in paragraph (2), for the purpose of financing a capital improvement project relating to construction of a state veterans home facility located in northeast Kansas, including, but not limited to, Douglas, Jefferson, Leavenworth, Shawnee and Wyandotte counties, the Kansas development finance authority is hereby authorized to issue one or more series of revenue bonds pursuant to the Kansas development finance authority act, K.S.A. 74-8901 et seq., and amendments thereto, in a total amount not to exceed \$10,500,000, plus all amounts required for costs of bond issuance, costs of insurance or credit enhancement, costs of interest on the bonds issued for such capital improvement project during the construction of such project and any required reserves for the payment of principal and interest on the bonds.

(2) During state fiscal years 2022 and 2023, the Kansas development finance authority is hereby authorized to issue one or more series of revenue bonds pursuant to the Kansas development finance authority act, K.S.A. 74-8901 et seq., and amendments thereto, in a total amount not to exceed \$17,200,000, plus all amounts required for costs of bond issuance, costs of insurance or credit enhancement, costs of interest on the bonds issued for such capital improvement project during the construction of such project and any required reserves for the payment of principal and interest on the bonds.

(b) The proceeds from the sale of any bonds, other than refunding bonds, issued pursuant to this section, after payment of any costs related to the issuance of such bonds, shall be paid by the Kansas development finance authority to the department of administration to be applied to the payment of costs of the capital improvement project authorized pursuant to this section as requested by the secretary of administration and by resolution of the Kansas development finance authority and shall constitute the state's required 35% match for the United States department of veterans affairs state veterans home construction grant program under 38 U.S.C. §§ 8131 through 8138, as in effect on July 1, 2021.

(c) On and after July 1, 2021, prior to the issuance of any bonds pursuant to this section, the capital improvement project described in subsection (a) is hereby approved for the department of administration for the purposes of K.S.A. 74-8905(b), and amendments thereto, and the authorization of the issuance of bonds by the Kansas development finance authority shall be approved by the Kansas development finance authority in accordance with K.S.A. 74-8901 et seq., amendments thereto, and the state finance council acting on this matter, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711c(c), and amendments thereto, except that such approval also may be given when the legislature is in session.

(d) The department of administration shall only make expenditures from the moneys received from the issuance of any bonds pursuant to this section for those purposes set forth in subsection (a) for such capital improvement project.

(e) The debt service for any such bonds issued pursuant to this section shall be financed by appropriations from the state general fund or any appropriate special revenue fund or funds.

(f) The date of maturity on bonds issued pursuant to this section shall not be fixed for a period of time that exceeds 20 years from the date of issuance.

(g) The state hereby pledges and covenants with the holders of any bonds issued pursuant to the provisions of this section, that the state will not limit or alter the rights or powers vested in the Kansas development finance authority by this section, nor limit or alter the rights or powers of the authority, or the department of administration, in any matter that would jeopardize the interest of the holders, or any trustee of such holders, or inhibit or prevent performance or fulfillment by the Kansas development finance authority or the department of administration with respect to the terms of any agreement made with the holders of the bonds or agreements made pursuant to this section, except that the failure of the legislature to appropriate

moneys for debt service on any bonds issued pursuant to this section shall not be deemed a violation of this pledge and covenant. The department of administration is hereby specifically authorized to include this pledge and covenant in any agreement with the Kansas development finance authority. The Kansas development finance authority is hereby specifically authorized to include this pledge and covenant in any bond resolution, trust indenture or agreement for the benefit of the holders of the bonds.

(h) Neither the state nor the department of administration shall have the power to pledge the full faith and credit or taxing power of the state for debt service on any bonds issued pursuant to this section, and any payment by the department of administration for such purpose shall be subject to and dependent on appropriations by the legislature. Any obligation of the state or the department of administration for payment of debt service on bonds issued pursuant to this section shall not be considered a debt or obligation of the state for the purpose of section 6 of article 11 of the constitution of the state of Kansas.

(i) Subject to the provisions of appropriation acts, the secretary of administration shall enter into pledge agreements with the Kansas development finance authority to pledge moneys for the payment of bonds issued pursuant to this section, which pledge shall be subject to the appropriation of moneys therefor.

History: L. 2021, ch. 85, § 1; L. 2022, ch. 97, § 51; June 2.