

**SENATE BILL No. 395**

By Committee on Ways and Means

2-13

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1 AN ACT concerning the educational building fund; permitting bonding  
2 authority to the state board of regents; amending K.S.A. 76-6b02 and  
3 repealing the existing section.  
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 76-6b02 is hereby amended to read as follows: 76-  
7 6b02. (a) All moneys received by the state treasurer under K.S.A. 76-6b01,  
8 and amendments thereto, shall be credited to the Kansas educational  
9 building fund to be used for the construction, reconstruction, equipment  
10 and repair of buildings and grounds at the state educational institutions  
11 under the control and supervision of the state board of regents and for  
12 payment of debt service on revenue bonds issued to finance such projects,  
13 all subject to appropriation by the legislature.

14 (b) Subject to any restrictions imposed by appropriation acts, the state  
15 board of regents is authorized to pledge funds appropriated to it from the  
16 Kansas educational building fund or from any other source and transferred  
17 to a special revenue fund of the state board of regents specified by statute  
18 for the payment of debt service on revenue bonds issued for the purposes  
19 set forth in subsection (a). ~~Subject to any restrictions imposed by~~  
20 ~~appropriation acts~~

21 (c) *On and after July 1, 2014, the state board of regents is also hereby*  
22 *authorized and empowered to request issuance of revenue bonds for the*  
23 *purposes set forth in subsection (a), by the Kansas development finance*  
24 *authority in accordance with K.S.A. 74-8905, and amendments thereto,*  
25 *and is authorized to pledge any funds appropriated to it from the Kansas*  
26 *educational building fund or from any other source and transferred to a*  
27 *special revenue fund of the state board of regents—specified by statute as*  
28 *established in statute or in a bond resolution or trust indenture for any*  
29 *bonds issued as a priority for the payment of debt service on any such*  
30 *revenue bonds. No bonds shall be issued on behalf of the state board of*  
31 *regents or any regents institution, unless the state board of regents*  
32 *certifies that, as of the date of issuance of any such series of bonds, the*  
33 *maximum annual debt service on all outstanding bonds issued pursuant to*  
34 *this section, including the bonds to be issued on such date, will not exceed*  
35 *50% of projected educational building fund revenues as credited by the*  
36 *Kansas state treasurer to the Kansas educational building fund for the*

1 *current fiscal year.*

2 (d) Neither the state ~~or~~ nor the state board of regents shall have the  
3 power to pledge the faith and credit or taxing power of the state of Kansas  
4 for such purposes and any payment by the state board of regents for such  
5 purposes shall be subject to and dependent on appropriations being made  
6 from time to time by the legislature. Any obligation of the state board of  
7 regents for payment of debt service on revenue bonds and any such  
8 revenue bonds issued for the purposes set forth in subsection (a) shall not  
9 be considered a debt or obligation of the state for the purpose of section 6  
10 of article 11 of the constitution of the state of Kansas.

11 Sec. 2. K.S.A. 76-6b02 is hereby repealed.

12 Sec. 3. This act shall take effect and be in force from and after its  
13 publication in the statute book.