

**75-4262. Refinancing of loans from PMIB; issuance of bonds; approval procedure; investment of loan repayments.** (a) State agencies having statutorily authorized loans from the pooled money investment board are hereby authorized to undertake projects to convert such loans to bond financing in accordance with this section.

(b) No bonds shall be issued for any such project unless: (1) The secretary of administration has determined that it is in the financial best interests of the state; (2) the bonds are sold at public sale; (3) bond counsel provides an opinion that the interest on the bonds is excluded from gross income for federal income tax purposes; and (4) such project has been approved by the secretary of administration. Upon approval by the secretary of administration, any such project is hereby approved for the purposes of subsection (b) of K.S.A. 74-8905, and amendments thereto.

(c) The director of investments is hereby authorized to invest the proceeds of loans repaid pursuant to this section, and interest earnings thereon, in: (1) United States government obligations with maturities no longer than the date the loan from the board was to be repaid; or (2) investments with banks operating in Kansas, at interest rates at or above the average yield that investments in United States securities would earn for similar maturities.

**History:** L. 1992, ch. 152, § 1; L. 1996, ch. 254, § 29; May 23.