

1 **As Amended by House Committee**

2 *Session of 2001*

3
4 **HOUSE BILL No. 2205**

5
6 By Committee on the New Economy

7
8 1-29

9
10 AN ACT relating to housing; concerning administration of state housing
11 program; establishing a state housing corporation; amending K.S.A.
12 74-5084 and 74-5085 and K.S.A. 2000 Supp. 74-5086a and repealing
13 the existing sections; also repealing K.S.A. 74-5082 and 74-5083.
14

15 *Be it enacted by the Legislature of the State of Kansas:*

16 New Section 1. It is hereby declared:

17 (a) That it is imperative that the supply of residential housing for
18 persons and families displaced by public actions or natural disaster be
19 increased;

20 (b) that individual communities are often unable to meet local hous-
21 ing needs;

22 (c) that private enterprise and investment have been unable, without
23 assistance, to produce the needed new construction or rehabilitation of
24 accessible and integrated, sanitary, decent and safe residential housing
25 and to provide sufficient long-term mortgage financing for this purpose
26 and for the purchase of existing residential housing by persons and fam-
27 ilies entering the housing market, when it becomes available;

28 (d) that private enterprise and investment be encouraged both to
29 sponsor land development and build and rehabilitate residential housing
30 and that private financing be supplemented by financing as provided in
31 this chapter for the construction, rehabilitation and purchase of such
32 housing, in order to help prevent the creation and recurrence of slum
33 conditions and substandard housing and to assist in their permanent elim-
34 ination throughout Kansas; and

35 (e) that it is to the economic benefit of the state to encourage the
36 availability of adequate housing for all levels of society.

37 New Sec. 2. (a) The purpose of this act is to ensure that as businesses
38 locate to Kansas and as existing businesses continue to expand that a
39 sufficient supply of adequate, safe and sanitary residential housing exists
40 in all geographic locations within the state and to assist Kansas families
41 of low, very low and moderate income in obtaining such housing.

42 (b) As used in this act, unless the context clearly requires otherwise:

43 (1) "Commitment in principle", a commitment made prior to sub-

1 mission of a final application. Such type of commitment shall not have a
2 priority position over other commitments;

3 (2) “corporation” means the Kansas housing development
4 corporation;

5 (3) “distressed community” means:

6 (A) A municipality within a metropolitan statistical area which has a
7 median household income of under 80% of the median household income
8 for the metropolitan statistical area, according to the latest decennial cen-
9 sus or a United States census block group or contiguous group of block
10 groups within a metropolitan statistical area which has a population of at
11 least 2,500, and each block group having a median household income of
12 under 80% of the median household income for the metropolitan area in
13 Kansas, according to the latest decennial census; or

14 (B) regarding municipalities not in a metropolitan statistical area, dis-
15 tressed community means a municipality with a median household in-
16 come of under 80% of the median household income for the nonmetro-
17 politan counties of Kansas according to the last decennial census or a
18 census block group or contiguous group of block groups which has a
19 population of at least 2,500 each block group having a median household
20 income of under 80% of the median household income for the nonme-
21 tropolitan counties of Kansas, according to the latest decennial census;

22 (4) “land development” means the process of acquiring land for res-
23 idential housing construction, and of making, installing or constructing
24 nonresidential housing improvements, including waterlines and water
25 supply installations, sewer lines and sewage disposal installations, steam,
26 gas and electric lines and installations, telephone and other communica-
27 tions lines and installations, roads, streets, curbs, gutters, sidewalks,
28 whether on or off the site, which the corporation deems necessary or
29 desirable to prepare such land for residential housing construction within
30 this state;

31 (5) “low income, very low income and moderate income persons and
32 families” have the meanings ascribed to them by rules and regulations of
33 the federal department of housing and urban development and as
34 adopted by the corporation;

35 (6) “residential housing” or “development” means a specific facility,
36 work or improvement within this state, undertaken primarily to provide
37 dwelling accommodations for persons and families, including the acqui-
38 sition, construction or rehabilitation of land, buildings and improvements
39 thereto;

40 (7) “weatherization” means the retrofitting which is identified by an
41 energy audit and meets standards as established by the corporation for
42 single or multifamily dwelling and includes one or more of the following:

43 (A) Insulation of walls, ceiling, floors, pipes or water heaters;

- 1 (B) storm or insulated doors and windows;
2 (C) caulking and weatherstripping;
3 (D) higher efficiency replacement space heating, water heating, air
4 conditioning and ventilation systems;
5 (E) installation of solar collectors for heating, cooling and hot water,
6 including associated piping, ductwork, pumps and on-site preparation
7 costs; and
8 (F) any other conservation measure or renewable resource system
9 which the corporation determines to be eligible as long as such measures
10 or systems are in strict conformance with the purposes of this section.
- 11 (8) “accessible and integrated” means that dwellings shall be de-
12 signed, constructed or rehabilitated in such a way which allows for all
13 residents to get into and use the dwelling, integrated in various locations
14 throughout a proposed project, which is not for the exclusive occupancy
15 of specific groups or categories of individuals.
- 16 New Sec. 3. (a) There is hereby created a body politic and corpo-
17 rate to be known as the Kansas housing development corporation. The
18 corporation is hereby constituted as a public instrumentality and the ex-
19 ercise of the authority and powers conferred by this act shall be deemed
20 and held to be the performance of an essential governmental function.
- 21 (b) The powers of the corporation shall be vested in seven member
22 board of directors, who shall be residents of the state, to be appointed by
23 the governor, with the advice and consent of the senate. Not more than
24 four of the directors shall be of the same political party. The directors
25 shall serve four-year terms, with no more than two directors appointed
26 to any one term, with each term beginning July first and ending on June
27 thirtieth. Each director shall be appointed for a term ending five years
28 from the date of expiration of the term for which the director’s prede-
29 cessor was appointed, except that a person appointed to fill a vacancy
30 prior to the expiration of such a term shall be appointed for the remainder
31 of the term. No director appointed pursuant to this chapter by the gov-
32 ernor shall serve more than two consecutive full terms. Each director
33 shall hold office for the term of his appointment and until his successor
34 shall have been appointed and qualified.
- 35 (c) Before entering into his duties, each director of the corporation
36 shall execute a surety bond in the penal sum of \$50,000 and the executive
37 director shall execute a surety bond in the penal sum of \$100,000 or, in
38 lieu thereof, the chairman of the corporation shall execute a blanket bond
39 covering each member, the executive director and the employees or other
40 officers of the corporation, each surety bond to be conditioned upon the
41 faithful performance of the duties of the office or offices covered, to be
42 executed by a surety company authorized to transact business in this state
43 as surety and to be approved by the attorney general and filed in the

1 office of the secretary of state. The cost of each such bond shall be paid
2 by the corporation.

3 (d) Notwithstanding any other law to the contrary it shall not be or
4 constitute a conflict of interest for a director, officer or employee of any
5 financial institution, investment banking firm, brokerage firm, commer-
6 cial bank or trust company, architecture firm, insurance company or any
7 other firm, person or corporation to serve as a member of the corporation,
8 provided such trustee, director, officer or employee shall abstain from
9 deliberation, action and vote by the corporation in each instance where
10 the business affiliation of any such trustee, director, officer or employee
11 is involved.

12 (e) The board of directors shall conduct a national search and select
13 a corporate president who meets a national standard of experience, ability
14 and initiative for similar positions. The corporate president shall not be
15 a member of the board.

16 (f) The board of directors shall hold all board meetings within the
17 state of Kansas.

18 (g) Members of the board of directors are entitled to compensation
19 and expenses as provided in K.S.A. 75-3223, and amendments thereto.

20 (h) The board shall annually elect from the membership one member
21 as chairperson and one member as vice-chairperson.

22 (i) The board of directors shall meet at least once during each cal-
23 endar quarter, and at such other times as may be provided in the rules
24 of the corporation, upon call by the president, the chairperson or upon
25 written request of a majority of the directors.

26 (j) A majority of the board of directors shall be necessary to transact
27 corporation business, and all actions of the directors shall be by a majority
28 vote of the full number of corporate directors.

29 (k) A member appointed to the board of directors by the governor
30 may be removed by the governor for cause, stated in writing, after a
31 hearing thereon.

32 New Sec. 4. (a) The corporation shall have all the powers necessary
33 to achieve the purposes, specified in section 1, and amendments thereto,
34 including the power to:

35 (1) Make, amend and repeal bylaws, rules and regulations for the
36 management of its affairs;

37 (2) sue and be sued;

38 (3) make contracts and execute all instruments necessary or conven-
39 ient for carrying out its business;

40 (4) acquire, own, hold, dispose of and encumber real or personal
41 property of any nature, both tangible and intangible, or any interest
42 therein;

43 (5) enter into agreements or other transactions with any federal, state,

1 county or municipal agency and with any individual, corporation, enter-
2 prise, association or any other entity involving housing development;

3 (6) acquire real property or an interest therein, by purchase or fore-
4 closure, where such acquisition is necessary or appropriate to protect or
5 secure any investment or loan in which the corporation has an interest;

6 (7) sell, transfer and convey any such property to a buyer, and in the
7 event such sale, transfer or conveyance cannot be effected with reason-
8 able promptness or at a reasonable price, to lease such property to a
9 tenant;

10 (8) invest any funds appropriated by the state and held in reserve in
11 funds not required for immediate disbursement, in such investments that
12 may be lawful for fiduciaries in this state, and invest funds received from
13 gifts, grants, donations and other operations of the corporation in such
14 investments as would be lawful for a private corporation having purposes
15 similar to the corporation;

16 (9) borrow money and give guaranties to carry out and effectuate its
17 purpose and to issue its negotiable bonds or notes as evidence of any such
18 borrowing in such principal amounts and upon such terms as shall be
19 necessary to provide sufficient funds for achieving its purpose, and to
20 secure such bonds or notes by the pledge of revenues, mortgages or notes
21 of others, but shall not constitute a pledge of the full faith and credit of
22 the state or any of its revenues;

23 (10) appoint officers, consultants, agents and advisors, and prescribe
24 their duties and compensation;

25 (11) appear in its own behalf before boards, commissions, depart-
26 ments or other agencies of municipal, county, state or federal
27 government;

28 (12) procure insurance as may be necessary to protect it against loss
29 or liability;

30 (13) accept any and all donations, grants, bequests and devises, con-
31 ditional and otherwise, of money, property, services or other things of
32 value which may be received from the United States or any agency
33 thereof, any governmental agency, or any institution, person, firm or cor-
34 poration, public or private, to be held, used or applied for any or all of
35 the purposes specified in this act, in accordance with the terms and con-
36 ditions of any such grant;

37 (14) accept such moneys as may be appropriated from time to time
38 by the legislature for effectuating its corporate purposes including, with-
39 out limitation, the payment of any initial expenses of administration and
40 operation and the establishment of reserves or contingency funds to be
41 available for the payment of the principal of and the interest on any bonds,
42 notes or other obligations of the authority;

43 (15) trade, buy or sell qualified securities, including without limita-

1 tion, the powers to guarantee, purchase, take, receive, subscribe for or
2 otherwise acquire, to own, hold, use or otherwise employ; to sell, lease,
3 exchange, transfer or otherwise dispose of; to mortgage, lend, pledge or
4 otherwise deal in and with, qualified securities issued by any other do-
5 mestic or foreign corporation, partnership, association, limited liability
6 company, or business trust, whether or not such issuer was organized or
7 caused to be organized by the corporation. The corporation, while owner
8 of any such qualified securities, may exercise all of the rights, powers and
9 privileges of ownership, including without limitation the right to vote;

10 (16) make or participate in the making of uninsured, other than first
11 priority mortgages for single-family dwellings, or federally insured con-
12 struction loans to approved mortgagors of residential housing for occu-
13 pancy by persons and families of low, very low or moderate income or
14 occupancy by persons and families of any income level in distressed com-
15 munities as defined in section 2 and amendments thereto. Such loans
16 shall be made only upon determination by the corporation that construc-
17 tion loans are not otherwise available, wholly or in part, from private
18 lenders upon reasonably equivalent terms and conditions. No commit-
19 ment for a loan, except a commitment in principle shall be made unless
20 all plans for development have been completed and submitted to the
21 corporation;

22 (17) purchase or participate in the purchase of uninsured other than
23 first priority mortgages for single-family dwellings, partially insured or
24 fully insured loans, including mortgages insured or otherwise guaranteed
25 by the federal government, or mortgages insured or otherwise guaranteed
26 by other insurers of mortgages to approved mortgagors to finance the
27 building, rehabilitation or purchase of residential housing designed and
28 planned to be available for rental or sale to low-income, very low-income
29 or moderate-income persons or families, as well as to finance the building,
30 rehabilitation or purchase of residential housing, planned to be available
31 for rental or sale to persons or families of any income level, or which will
32 be occupied and owned by low-income, very low-income or moderate-
33 income persons or to purchase or participate in the purchase of any other
34 securities which are secured, directly or indirectly, by any such loan;

35 (18) adopt bylaws for the regulation of its affairs and the conduct of
36 its business and define, from time to time, the terms “low-income”, “very
37 low-income” and “moderate-income” to conform with federal guidelines.
38 Such bylaws may vary from one part of the state to another depending
39 on economic factors in each part;

40 (19) make and execute contracts, releases, compromises, and other
41 instruments necessary or convenient for the exercise of its powers, or to
42 carry out its purposes;

43 (20) collect reasonable fees and charges in connection with servicing

1 its loans, notes, bonds, obligations, commitments, and other evidences of
2 indebtedness, and in connection with providing technical, consultative
3 and project assistant services. Such fees and charges shall be limited to
4 the amounts required to pay the costs of the corporation;

5 (21) consent, whenever it deems it necessary or desirable in the ful-
6 fillment of its purpose, to the modification of the rate of interest, time of
7 payment or any installment of principal or interest, or any other terms,
8 of any mortgage loan, mortgage loan commitment, construction loan,
9 temporary loan, contract or agreement of any kind to which the corpo-
10 ration is a party;

11 (22) issue renewal notes, to issue bonds to pay notes, and whenever
12 it deems refunding expedient, to refund any bonds by the issuance of new
13 bonds, whether the bonds to be refunded have or have not matured;

14 (23) apply the proceeds from the sale of renewal notes or refunding
15 bonds to the purchase, redemption or payment of the notes or bonds to
16 be refunded;

17 (24) provide technical services to assist in the planning, processing or
18 rehabilitation of residential housing for occupancy by persons and families
19 of low, very low and moderate income, persons and families in distressed
20 communities of any income level or land development for residential
21 housing for occupancy by persons and families of low, very low and mod-
22 erate income or persons and families in distressed communities of any
23 income level;

24 (25) to provide consultative project assistance services for residential
25 housing for occupancy by persons and families of low, very low and mod-
26 erate income or persons and families of any income level in distressed
27 communities and for land development for residential housing for occu-
28 pancy by persons and families of low, very low and moderate income or
29 for persons and families of any income level in distressed communities
30 and for the residents thereof with respect to management, training and
31 social services;

32 (26) to promote research and development in scientific methods of
33 constructing low cost residential housing of high durability;

34 (27) to make, purchase or participate in the purchase of uninsured,
35 partially insured or fully insured loans and home improvement loans to
36 finance the weatherization of single and multifamily dwellings, and shall
37 issue its negotiable bonds or notes for such purpose;

38 (28) create a housing equity fund for the purpose of purchasing low-
39 income housing tax credits; and

40 (29) exercise any other powers necessary for the operation and func-
41 tioning of the corporation within the purposes authorized in this act.

42 (b) The corporation, to the greatest extent possible, shall hire and
43 utilize private businesses in the performance of its powers and duties as

1 prescribed by this act.

2 (c) In addition to the corporate powers described in subsection (a),
3 subject to and in accordance with appropriations acts, the corporation is
4 hereby authorized to perform the functions formerly directed by the of-
5 fice of housing within the department of commerce and housing as
6 follows:

7 (1) Prepare, from time to time amend, and administer the state hous-
8 ing plan in accordance with criteria of the federal department of housing
9 and urban development;

10 (2) serve as a clearinghouse and single point of contact for the state
11 regarding information, programs, and resources related to affordable and
12 accessible housing;

13 (3) provide access and management of federal housing programs for
14 delivery to the citizens and businesses of Kansas;

15 (4) work with existing agencies, organizations, and social programs to
16 assist in the development of affordable and accessible housing; and

17 (5) within 90 days of the close of its fiscal year, the corporation shall
18 submit to the secretary of commerce and housing, for inclusion in the
19 secretary's annual report to the legislature, a complete and detailed report
20 setting forth:

21 (A) Its operations and accomplishments;

22 (B) its receipts and expenditures during such fiscal year in accordance
23 with the categories or classifications established by the authority for its
24 operating and capital outlay purposes;

25 (C) its assets and liabilities at the end of its fiscal year, including a
26 schedule of its mortgage loans and commitments and the status of reserve,
27 special or other funds; and

28 (D) a schedule of its notes and bonds outstanding at the end of its
29 fiscal year, together with a statement of the amounts redeemed and in-
30 curred during such fiscal year.

31 (d) In the performance of its duties and functions pursuant to this
32 act, the corporation shall not:

33 (1) Originate single family home loans, except as specifically provided
34 in this act;

35 (2) purchase or participate in the purchase of single-family home
36 loans or make, purchase or participate in the purchase of home-improve-
37 ment loans when the mortgagor or borrower does not meet the definitions
38 of low-income, very-low income or moderate income as defined in this
39 act;

40 (3) originate multifamily first mortgages, except when no other lender
41 will provide financing as documented to the corporation by the presen-
42 tation of written denials of applications for such mortgages from two
43 financial institutions. The corporation shall encourage the restructuring

1 of the debt for such developments for the betterment of the residents
2 and the community in which it is located;

3 (4) participate in lending activities for nonresidential purposes.

4 (5) own real property for long periods of time. Such property that
5 has been acquired for the purpose of debt restructuring or otherwise
6 providing financial stability should be returned to private ownership
7 within 18 months or as quickly thereafter as possible;

8 (6) participate in any housing related function in a community which
9 has not conducted a housing needs study;

10 (7) participate in housing construction as a general contractor or sub-
11 contractor; and

12 (8) participate in any housing function which can be handled eco-
13 nomically or efficiently by private industry.

14 (e) The corporation shall be exempt from all franchise, corporate
15 business and income taxes levied by the state.

16 (f) The corporation shall not be subject to state purchasing laws.

17 (g) The corporation is an agency of the state to the extent that it's an
18 issuing authority within the meaning of § 146 of the internal revenue
19 code of 1986 and the state housing credit agency within the meaning of
20 § 42(h)(7)(A) of the internal revenue code of 1986. The corporation is
21 authorized to administer the provisions of § 42 of the internal revenue
22 code of 1986, and may issue qualified private activity bonds to carry out
23 the provisions of this chapter, to the extent the corporation is allocated a
24 portion of the state ceiling of qualified private activity bonds applicable
25 to the state. Any such allocation shall not affect the powers relating to the
26 issuance of bonds or notes in by the corporation as provided in paragraph
27 (9). No provision of this section affects the validity of bonds or notes
28 issued as provided in this act, regardless of whether the obligations are
29 issued in the manner required by federal law for the exemption of the
30 interest thereon from federal income taxation. The corporation may enter
31 into all agreements and take any actions necessary to comply with all
32 conditions set forth in section 103A of the internal revenue code of 1954,
33 as amended, and section 143 of the internal revenue code of 1986, as
34 appropriate, for the issuance of qualified mortgage bonds as therein
35 defined.

36 New Sec. 5. (a) The governor's commission on housing shall have
37 and perform the following functions:

38 (1) Assist the corporation in the continued development of the state
39 housing plan;

40 (2) address the special populations in need of housing availability and
41 affordability;

42 (3) provide advice and counsel to the corporation concerning Kansas
43 community housing needs to facilitate economic development; and

1 (4) work with existing agencies, organizations and social programs to
2 development affordable, safe, sanitary and accessible housing.

3 Sec. 6. K.S.A. 74-5084 is hereby amended to read as follows: 74-
4 5084. Whenever the designation of a state agency is required by any
5 federal act or program under which federal financial assistance is made
6 available for housing or housing related purposes, the ~~department of com-~~
7 ~~merce~~ *the Kansas housing development corporation* shall serve as the
8 officially designated state agency of Kansas and ~~such department~~ *the cor-*
9 *poration* shall be responsible for exercising the powers and performing
10 the functions and duties required of state agencies under such federal
11 acts and programs.

12 Sec. 7. K.S.A. 74-5085 is hereby amended to read as follows: 74-
13 5085. (a) (1) All of the powers, duties and functions of the secretary of
14 social and rehabilitation services and the department of social and reha-
15 bilitation services which relate to housing and housing assistance and
16 which were exercised pursuant to contracts and agreements with the fed-
17 eral department of housing and urban development immediately prior to
18 the effective date of this act are hereby transferred to and conferred upon
19 the secretary of commerce and the department of commerce.

20 (2) All of the powers, duties and functions of the secretary of social
21 and rehabilitation services and the department of social and rehabilitation
22 services which relate to the application, receipt, administration, and util-
23 ization of grants, vouchers and other financial assistance that the federal
24 department of housing and urban development makes available under
25 federal housing programs, and that other public or private entities make
26 available for housing and housing related purposes, are hereby transferred
27 to and conferred upon the secretary of commerce and the department of
28 commerce.

29 (3) *On and after July 1, 2000 2001*, all powers, functions, duties and
30 contractual relationships described in paragraphs (1) and (2) of this sub-
31 section shall be transferred to the Kansas housing development
32 corporation.

33 (b) ~~The secretary of commerce and the department of commerce~~
34 *Kansas housing development corporation* shall be the successors in every
35 way to the powers, duties and functions which are specified in this section
36 and which were vested in the secretary of social and rehabilitation services
37 and the department of social and rehabilitation services *and subsequently*
38 *to the secretary of commerce and housing and the department of com-*
39 *merce and housing* prior to ~~the effective date of this act~~ *July 1, 2000*.

40 (c) Whenever the secretary of social and rehabilitation services or the
41 department of social and rehabilitation services *or the secretary of com-*
42 *merce and housing or the department of commerce and housing*, or words
43 of like effect, is referred to or designated by statute, contract or other

1 document with regard to the powers, duties and functions which are spec-
2 ified in this section, such reference or designation shall be deemed to
3 apply to the ~~secretary of commerce and the department of commerce~~
4 *Kansas housing development corporation*.

5 (d) Officers and employees who immediately prior to the effective
6 date of this act were engaged in the exercise and performance of the
7 powers, duties and functions specified in this section and who, in the
8 opinion of the ~~secretary of commerce~~ *the president of the Kansas housing*
9 *development corporation*, are necessary to perform the powers, duties
10 and functions transferred under this section shall become officers and
11 employees of the ~~department of commerce~~ *corporation*. Any such officer
12 or employee shall retain all retirement benefits, *leave rights* and all *other*
13 rights of civil service which had accrued to or vested in such officer or
14 employee prior to the effective date of this act. The service of each such
15 officer and employee so transferred shall be deemed to have been con-
16 tinuous. All transfers and any abolition of personnel positions in the clas-
17 sified service under the Kansas civil service act shall be in accordance
18 with civil service laws and any rules and regulations adopted thereunder.
19 *Nothing in this section shall affect the classified status of any transferred*
20 *person employed by the department of commerce and housing prior to*
21 *the date of transfer. Any employees hired after July 1, ~~2000~~ 2001,* shall
22 serve at the pleasure of the president of the Kansas housing development
23 corporation.

24 (e) If the secretary of commerce and housing and the president of
25 the Kansas housing development corporation cannot agree as to how the
26 transfer of personnel between the two agencies is to be achieved, the
27 president of the corporation shall be responsible for administering any
28 layoff which is a part of the transfer.

29 (f) Notwithstanding the effective date of this act authorizing the
30 transfer of personnel pursuant to this section, the date of transfer of
31 personnel shall commence at the start of a payroll period.

32 Sec. 8. K.S.A. 2000 Supp. 74-5086a is hereby amended to read as
33 follows: 74-5086a. (a) There is hereby established in the state treasury
34 the state housing trust fund. All moneys credited to the state housing
35 trust fund shall be used for the purposes of housing programs and services
36 including, but not limited to, the provision of financial programs for the
37 repair, rehabilitation and improvement of existing residential housing,
38 accessibility modifications, rental subsidies and the provision of housing
39 services and assistance to persons having low, *very low* or moderate in-
40 come and disabled persons.

41 (b) The state housing trust fund shall be administered by the ~~office~~
42 ~~of housing of the department of commerce and housing~~ *Kansas housing*
43 *development corporation*. All expenditures from the state housing trust

1 fund shall be in accordance with appropriations acts upon warrants of the
2 director of accounts and reports issued pursuant to vouchers approved
3 by the ~~secretary of commerce and housing or the secretary's president of~~
4 ~~the corporation or the president's designee.~~

5 (c) ~~The office of housing and the department of commerce and hous-~~
6 ~~ing are corporation is~~ hereby authorized to apply for and receive available
7 public or private grants, gifts and donations for the purposes of housing
8 programs and services. All such grants, gifts and donations, which are not
9 required to be deposited in a separate special revenue fund, shall be
10 deposited in the state treasury to the credit of the state housing trust
11 fund. All moneys received by the ~~department of commerce and housing~~
12 ~~for corporation from~~ fees related to housing, which are not required to
13 be deposited in a separate special revenue fund, shall be deposited in the
14 state treasury to the credit of the state housing trust fund.

15 (d) On or before the 10th of each month, the director of accounts
16 and reports shall transfer from the state general fund to the state housing
17 trust fund interest earnings based on:

18 (1) The average daily balance of moneys in the state housing trust
19 fund for the preceding month; and

20 (2) the net earnings rate for the pooled money investment portfolio
21 for the preceding month.

22 New Sec. 9. No director, employee or officer of the corporation shall
23 be liable personally for any reason arising from the service of such person
24 as a director, employee or officer of the corporation or any subsidiary
25 corporations created pursuant to this act unless such person acted with
26 willful, wanton or fraudulent misconduct or intentionally tortuous con-
27 duct. The authority and any subsidiary corporation created pursuant to
28 this act shall be considered a governmental entity for purposes of the
29 Kansas tort claims act, K.S.A. 75-6102, and amendments thereto.

30 New Sec. 10. The Kansas development finance authority shall enter
31 into an agreement with the corporation through which all control, powers,
32 duties and functions of the authority concerning its subsidiary corporation
33 the Kansas equity fund, inc. are transferred to the corporation.

34 Sec. 11. K.S.A. 74-5082, 74-5083, 74-5084 and 74-5085 and K.S.A.
35 2000 Supp. 74-5086a are hereby repealed.

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

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