

HOUSE BILL No. 2665

By Committee on Utilities

1-30

AN ACT concerning electric transmission lines; amending K.S.A. 2003 Supp. 74-8946 and repealing the existing section.

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

Section 1. K.S.A. 2003 Supp. 74-8946 is hereby amended to read as follows: 74-8946. (a) As used in this section:

(1) "Appurtenances" means all substations, towers, poles and other structures and equipment necessary for the bulk transfer of electricity.

(2) "Electric transmission line" means any line or extension of a line which is at least five miles long and which is used for the bulk transfer of electricity.

(b) The Kansas development finance authority is hereby authorized to issue revenue bonds in amounts sufficient to pay the following described costs of construction, upgrading and acquisition, including any required interest on the bonds during such construction, upgrading and acquisition, plus all amounts required for the costs of bond issuance and any required reserves on the bonds: (1) Construction or upgrading of electric transmission lines and appurtenances *which are owned and operated by an electric municipal utility or which are to be used for the transfer of 69 kilovolts or more of electricity*; (2) acquisition of the right-of-way on which *such* transmission lines and appurtenances ~~to be used for the transfer of 69 kilovolts or more of electricity~~ are to be constructed; and (3) upgrading of *such* electric transmission lines and appurtenances ~~to be used for the transfer of 69 kilovolts or more of electricity~~. The bonds, and interest thereon, issued pursuant to this section shall be payable from revenues derived from use of the transmission lines.

(c) The provisions of subsection (a) of K.S.A. 74-8905, and amendments thereto, shall not prohibit the issuance of bonds by the Kansas development finance authority for the purposes of this section and any such issuance of bonds is exempt from the provisions of subsection (a) of K.S.A. 74-8905, and amendments thereto, which would operate to preclude such issuance.

(d) Revenue bonds, including refunding revenue bonds, issued hereunder shall not constitute an indebtedness of the state of Kansas, nor shall they constitute indebtedness within the meaning of any constitu-

1 tional or statutory provision limiting the incurring of indebtedness.

2 (e) Revenue bonds, including refunding revenue bonds, issued here-
3 under and the income derived therefrom are and shall be exempt from
4 all state, county and municipal taxation in the state of Kansas, except
5 Kansas estate taxes.

6 Sec. 2. K.S.A. 2003 Supp. 74-8946 is hereby repealed.

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

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