

SENATE BILL No. 463

By Committee on Ways and Means

3-13

1 AN ACT concerning economic development; concerning the STAR bonds  
2 financing act; relating to the provisions regarding STAR bond projects;  
3 extending the sunset date; amending K.S.A. 2011 Supp. 12-17,179 and  
4 repealing the existing section

regarding bond  
interest rates;

10-1009 and

sections

5 Be it enacted by the Legislature of the State of Kansas:  
6 Section 1. K.S.A. 2011 Supp. 12-17,179 is hereby amended to read as  
7 follows: 12-17,179. (a) A city that created a redevelopment district in an  
8 eligible area that was approved for STAR bonds prior to the effective date  
9 of this act for the city of Manhattan Discovery Center on December 28,  
10 2006, and the Schlitterbahn project in Wyandotte county on December 23,  
11 2005, may by ordinance elect to have the provisions of this act applicable  
12 to such redevelopment district.  
13 (b) The provisions of this act regarding STAR bond projects shall  
14 expire on and after July 1, 2012.  
15 Sec. 2. K.S.A. 2011 Supp. 12-17,179 is hereby repealed.  
16 Sec. 3. This act shall take effect and be in force from and after its  
17 publication in the statute book.  
18

10-1009 and  
12-17,179  
are

Proposed Amendments for SB 463  
March 16, 2012  
Prepared by Ken Wilke  
Office of the Revisor of Statutes

K.S.A. 2011 Supp. 10-1009 is hereby amended to read as follows:  
10-1009. (a) The maximum stated rate of interest which may be fixed  
on fixed-rate bonds issued by a municipality or taxing subdivision of  
the state of Kansas shall be determined on the day the bonds are sold  
and shall not exceed the daily yield for the ten-year treasury bonds  
published by The Bond Buyer, in New York, New York, on the  
Monday next preceding the day on which the bonds are sold, plus (1)  
three percent, if the interest on the bonds is excluded from gross  
income for federal income tax purposes or (2) four percent, if the  
interest on the bonds is included in gross income for federal income  
tax purposes.

(b) The maximum stated rate of interest which may be fixed on  
variable-rate bonds issued by a municipality or taxing subdivision of  
the state of Kansas shall be determined on the date on which the rate  
is determined in accordance with the resolution or ordinance of the  
issuer and shall not exceed the daily yield for the ten-year treasury  
bonds published by The Bond Buyer, in New York, New York, on  
the Monday next preceding such date, plus (1) three percent, if the  
interest on the bonds is excluded from gross income for federal  
income tax purposes or (2) four percent, if the interest on the bonds is  
included in gross income for federal income tax purposes.

(c) Except as provided for variable-rate bonds, the maximum  
rate of interest specified in this section shall be applicable to bonds  
issued after the effective date of this act. The maximum rate of  
interest on variable-rate bonds issued prior to the effective date of  
this act shall be the higher of (1) the maximum rate of interest  
specified by subsection (a) or (b) of this section, as in effect prior to  
the effective date of this act, (2) the maximum rate of interest  
specified in this section or (3) the rate for such variable-rate bonds  
specified in the documents authorizing the issuance thereof.

(d) Notwithstanding the foregoing, for the period from the  
effective date of this act until and including June 30, 2012, the  
maximum stated rate of interest which may be fixed on fixed-rate or  
variable-rate bonds issued by a municipality or taxing subdivision of  
the state of Kansas shall be determined on the day the bonds are sold  
and shall not exceed the daily yield for the ten-year treasury bonds  
published by The Bond Buyer, in New York, New York, on the  
Monday next preceding the day on which the bonds are sold, plus (1)  
6%, if the interest on the bonds is excluded from gross income for  
federal income tax purposes or (2) 7%, if the interest on the bonds is  
included in gross income for federal income tax purposes.

Sec. 2.