

House Substitute for SENATE BILL No. 154

AN ACT concerning the issuance of bonds; relating to the national bio and agro defense facility; relating to engineering expansion; providing certain powers, duties and functions for the Kansas development finance authority; state finance council and department of administration; amending K.S.A. 2010 Supp. 74-8963 and repealing the existing section.

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

Section 1. K.S.A. 2010 Supp. 74-8963 is hereby amended to read as follows: 74-8963. (a) For the purpose of financing a capital improvement project ~~of the Kansas bioscience authority~~ *relating to a national bio and agro defense facility*, the Kansas development finance authority is hereby authorized to issue one or more series of revenue bonds pursuant to the Kansas development finance authority act, K.S.A. 74-8901 et seq., and amendments thereto, in an amount necessary to provide a deposit or deposits to the bioscience development and investment fund, ~~established by K.S.A. 74-99b34, and amendments thereto~~ *which is hereby created in the state treasury and shall be administered by the department of administration in accordance with the provisions of this section and K.S.A. 2010 Supp. 74-8964 through 74-8967, and amendments thereto*, in a total amount not to exceed \$105,000,000, plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project during the construction of such project, cost of bond insurance or other credit enhancement for the bonds and any required reserves for the payment of principal and interest on the bonds, for a capital improvement project relating to a national bio and agro defense facility, including, but not limited to, land acquisition, site preparation, fencing, central utility plant facility construction and improvements, including electric, water and sewer utility infrastructure construction and equipment, lift stations, street grading, paving, graveling, macadamizing, curbing, guttering and surfacing, street light fixture connections and facilities, underground gas, water, heating and electrical services and connections, sidewalks and parking facilities, drives and driveway approaches, landscaping and plantings and related facilities and amenities to develop and finance the project.

(b) *On and after the effective date of this act*, prior to the issuance of any bonds pursuant to this section, the capital improvement project described in subsection (a) shall be approved for the ~~Kansas bioscience authority~~ *department of administration* for the purposes of subsection ~~(e)~~ *(b)* of K.S.A. 74-8905, and amendments thereto, ~~and for the purposes of K.S.A. 74-99b10, and amendments thereto~~, and the authorization of the issuance of bonds by the Kansas development finance authority shall be approved by the Kansas development finance authority in accordance with K.S.A. 74-8901 et seq., and amendments thereto, *and, for all bonds issued on or after the effective date of this act, shall be approved by the state finance council acting on this matter which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c, and amendments thereto, except that such approval also may be given when the legislature is in session.*

(c) The ~~Kansas bioscience authority~~ *department of administration* may only make expenditures from the moneys received from the issuance of any bonds pursuant to this section for those purposes set forth in subsection (a) for the capital improvement project.

(d) The debt service for any such bonds issued pursuant to this section shall be financed by appropriations from the state general fund or any appropriate special revenue fund or funds.

(e) The date of maturity on bonds issued pursuant to this section shall not be fixed for a period of time which exceeds 20 years from the date of issuance.

(f) The proceeds from the sale of any bonds, other than refunding bonds, issued pursuant to this section, after payment of any costs related to the issuance of such bonds, shall be paid by the Kansas development finance authority to the ~~Kansas bioscience authority~~ *department of administration* to be applied to the payment of the costs of the capital improvement project authorized ~~by resolution of the Kansas bioscience authority~~ *pursuant to this section as requested by the secretary of administration* and by resolution of the Kansas development finance authority.

New Sec. 2. The university of Kansas is hereby authorized to initiate and complete a capital improvement project for the university of Kansas school of engineering expansion project phase II and such capital improvement project is hereby approved for the university of Kansas for the purposes of subsection (b) of K.S.A. 74-8905, and amendments thereto, and

the authorization of the issuance of bonds by the Kansas development finance authority in accordance with that statute. The university of Kansas may make expenditures from the moneys received from the issuance of any such bonds for such capital improvement project, except that expenditures from the moneys received from the issuance of any such bonds for such capital improvement project shall not exceed \$65,000,000, plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for such capital improvement project during the construction of such project and any required reserves for the payment of principal and interest on the bonds. All moneys received from the issuance of any such bonds shall be deposited and accounted for as prescribed by applicable bond covenants. Debt service for any such bonds for such capital improvement project shall be financed by appropriations from any appropriate special revenue fund or funds of the university of Kansas.

Sec. 3. K.S.A. 2010 Supp. 74-8963 is hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the
SENATE, and passed that body

SENATE adopted

Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE

as amended _____

HOUSE adopted

Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.