

Session of 2016

HOUSE BILL No. 2703

By Committee on Appropriations

2-15

1 AN ACT concerning the authority of state agencies to enter into
2 indebtedness on behalf of the state; relating to the issuance of bonds by
3 the Kansas development finance authority; monthly reports by the
4 authority; amending K.S.A. 74-8913 and K.S.A. 2015 Supp. 74-8905
5 and repealing the existing sections.
6

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

8 New Section 1. (a) On and after the effective date of this act, no state
9 agency shall enter into the following actions unless such action has first
10 been specifically authorized for such purposes by an appropriation or other
11 act of the legislature or has been approved by the state finance council
12 subject to the provisions of subsection (b), acting on this matter which is
13 hereby characterized as a matter of legislative delegation and subject to the
14 guidelines prescribed in K.S.A. 75-3711(c), and amendments thereto: (1)
15 Borrow money upon the credit of the state; (2) contract any indebtedness
16 on the credit of the state; (3) issue bonds; (4) acquire real estate; (5)
17 contract with a third party to construct or improve any institution or
18 facility on state-owned property in any way; (6) make expenditures for
19 construction or improvements for any institutions or facilities of such state
20 agency in any way; (7) pledge as collateral of any type any state-owned
21 institution, facility or property; (8) enter into an agreement or assignment
22 in which the rent payments are pledged as collateral; ~~or~~ (9) enter into a
23 municipal lease obligation.

24 (b) No action shall be approved by the state finance council or the
25 legislature unless the state agency has: (1) Reviewed and evaluated the
26 process on the selection of the parties involved in such action with the
27 state building advisory commission; and (2) advised and consulted with
28 the joint committee on state building construction regarding such action.
29 The state finance council shall not have the authority to approve any action
30 described in subsection (a) that is equal to or exceeds \$25,000,000. Any
31 such action that is equal to or exceeds \$25,000,000 shall be approved by
32 an appropriation or other act of the legislature.

33 (c) As used in this section, "state agency" means any state office or
34 officer, department, board, commission, institution, bureau or any other
35 state authority which may lawfully request a state appropriation.

36 (d) The provisions of this section shall not apply to the department of

; or (10) enter into any lease agreement which leases state
owned or managed property to any private entity at a price
that is less than fair market value