

HOUSE BILL No. 2336

By Committee on Transportation

2-7

1 AN ACT concerning the surplus property and public airport authority act;
2 relating to bonding authority; providing for increased bonding authority
3 up to \$10,000,000; **permitting bonding authority of more than**
4 **\$10,000,000 or in excess of the 1.85% statutory limitation based on**
5 **assessed value of property within the county upon approval by the**
6 **board of county commissioners;** amending K.S.A. 27-334 and
7 repealing the existing section.

8
9 *Be it enacted by the Legislature of the State of Kansas:*

10 Section 1. K.S.A. 27-334 is hereby amended to read as follows: 27-
11 334. (a) The authority may issue its own general obligation bonds, revenue
12 bonds and industrial revenue bonds as provided by this section.

13 (b) Prior to the issuance of general obligation bonds in an amount less
14 than ~~\$1,000,000~~ **\$10,000,000**, the board of directors of the authority shall
15 adopt a resolution setting forth the principal amounts of and the purpose
16 for which the bonds are to be issued; and shall cause ~~the same such~~
17 *resolution* to be published once each week for two consecutive weeks in
18 the official county newspaper. If, within 30 days after **the first** publication
19 of the resolution, a petition in opposition to the issuance of the bonds,
20 signed by not less than 5% of the qualified electors of the county is filed
21 with the county election officer, the board of directors shall submit the
22 proposed issuance of general obligation bonds to the electors of the county
23 in the manner provided in the general bond law. If a majority of the voters
24 voting on the proposition at the election vote in favor of the issuance, the
25 bonds may be issued by the authority.

26 The board of directors shall submit any **resolution for a** proposed
27 issuance of general obligation bonds in an amount ~~which~~ *that* is equal to or
28 ~~which exceeds~~ **\$10,000,000** for approval ~~at a primary or~~
29 ~~general election by the qualified electors of the county. The election shall~~
30 ~~be called and held~~ **or disapproval by the board of county commissioners.**
31 ***If the board of county commissioners disapproves the resolution of the***
32 ***authority, no further action shall be taken by the authority on the basis***
33 ***of such resolution. If the board of county commissioners approves the***
34 ***resolution of the authority, the board of directors of the authority may***
35 ***proceed to authorize and issue the general obligation bonds in the***
36 ***amount and for the purpose specified in such resolution. Following***

1 *approval of the authority's resolution by the board of county*
2 *commissioners, the authority shall cause the resolution to be published*
3 *once each week for two consecutive weeks in the official county*
4 *newspaper. If, within 30 days after the first publication of the resolution,*
5 *a petition in opposition to the issuance of the bonds, signed by not less*
6 *than 5% of the qualified electors of the county, is filed with the county*
7 *election officer, the board of directors shall submit the proposed*
8 *issuance of general obligation bonds to the electors of the county in the*
9 *manner provided by the general bond law. If a majority of the voters*
10 *voting on the ~~question~~ **proposition at the election** vote in favor ~~thereof~~ **of***
11 ***the issuance**, the bonds may be issued in the manner provided by the*
12 *~~general bond law. Whenever an election has been called in which all of the~~*
13 *~~qualified electors of the county are eligible to vote, the board also may~~*
14 *~~submit for approval at such election any proposed issuance of general~~*
15 *~~obligation bonds in an amount which *that* is equal to or which exceeds~~*
16 *~~\$1,000,000~~ **\$10,000,000** by the authority.*

17 General obligation bonds of the authority shall not be issued in an
18 amount in excess of 1.85% of the assessed valuation of all the taxable
19 tangible property within the county as shown by the assessment books of
20 the previous year, *unless a resolution of the authority to exceed 1.85% of*
21 *the assessed value of all the taxable tangible property within the county*
22 *as shown by the assessment books of the previous year for a general*
23 *obligation bond issuance is approved by the board of county*
24 *commissioners. If the board of county commissioners disapproves the*
25 *resolution of the authority, no further action shall be taken by the*
26 *authority on the basis of such resolution. If the board of county*
27 *commissioners approves the resolution of the authority, the board of*
28 *directors of the authority may proceed to authorize and issue the general*
29 *obligation bonds in the amount and for the purpose specified in such*
30 *resolution. Following approval of the resolution of the authority by the*
31 *board of county commissioners, the authority shall cause the resolution*
32 *to be published once each week for two consecutive weeks in the official*
33 *county newspaper. If, within 30 days after the first publication of the*
34 *resolution, a petition in opposition to the issuance of the bonds, signed*
35 *by not less than 5% of the qualified electors of the county is filed with*
36 *the county election officer, the board of directors shall submit the*
37 *proposed issuance of general obligation bonds to the electors of the*
38 *county in the manner provided in the general bond law. If a majority of*
39 *the voters voting on the proposition at the election vote in favor of the*
40 *issuance, the bonds may be issued by the authority. The general*
41 *obligation bonds of the authority shall be authorized, issued, registered and*
42 *sold in the manner provided by the general bond law and shall bear interest*
43 *at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009,*

1 and amendments thereto. The full faith and credit of the authority shall be
2 pledged to the payment of the general obligation bonds of the authority.
3 The general obligation bonds of the authority shall not constitute a debt or
4 obligation of the city or county.

5 (c) The authority may issue revenue bonds ~~from time to time~~ for the
6 purpose of purchasing, constructing or otherwise acquiring, repairing,
7 extending or improving any property or facility of the authority and may
8 pledge to the payment of the revenue bonds, both principal and interest,
9 any rental, rates, fees or charges derived or to be derived by the authority
10 from property or facilities owned or operated by it. The revenue bonds of
11 the authority shall mature not later than 35 years after the date of issuance.
12 The revenue bonds shall bear interest at a rate not exceeding the maximum
13 rate of interest prescribed by K.S.A. 10-1009, and amendments thereto.
14 The bonds and any interest coupons shall be negotiable. The bonds shall
15 contain recitals stating the authority under which the bonds are issued, that
16 they are issued in conformity with the provisions, restrictions and
17 limitations of the authority and that the bonds and interest thereon shall be
18 paid by the issuing authority from any rental, rates, fees or charges derived
19 or to be derived by the authority from property or facilities owned or
20 operated by it and not from any other fund or source. The bonds shall be
21 registered in the office of the secretary or clerk of the authority issuing the
22 bonds.

23 (d) The authority may issue the industrial revenue bonds of the
24 authority in the manner provided by K.S.A. 12-1740 ~~to~~ through 12-1749,
25 ~~inclusive~~; and amendments thereto, and any other applicable provisions of
26 law.

27 (e) The board of directors may, on its own initiative, submit any
28 proposed issuance of bonds for approval; by the qualified electors of the
29 county at a primary or general election. Such election shall be otherwise
30 called and held in the manner provided by the general bond law. Whenever
31 an election has been called in which all the qualified electors of the county
32 are eligible to vote, the board also may submit the question of issuing such
33 bonds for approval at such election.

34 Sec. 2. K.S.A. 27-334 is hereby repealed.

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