

HOUSE BILL No. 2147

By Committee on Commerce, Labor and Economic Development

2-5

1 AN ACT concerning the Kansas rural housing incentive district act;
2 relating to increasing bond maturity limits; amending K.S.A. 2018
3 Supp. 12-5248 and repealing the existing section.
4

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

6 Section 1. K.S.A. 2018 Supp. 12-5248 is hereby amended to read as
7 follows: 12-5248. (a) (1) Any city or county ~~which~~ *that* has established a
8 housing incentive district as provided in this act may issue special
9 obligation bonds to finance the implementation of the plan adopted for the
10 district by the governing body. ~~Such~~ *The* special obligation bonds shall be
11 made payable, both as to principal and interest:

12 (A) From property tax increments allocated to, and paid into a special
13 fund of the city or county under the provisions of ~~subsection (b)~~ of K.S.A.
14 12-5250(b), and amendments thereto;

15 (B) from revenues of the city or county derived from or held in
16 connection with the implementation of the project or projects in the
17 district;

18 (C) from any private sources, contributions or other financial
19 assistance from the state or federal government;

20 (D) from any financial sureties or other guarantees provided by the
21 developer;

22 (E) from a pledge of any other lawfully available city or county
23 revenue sources, including, but not limited to: ~~(1)~~ *(i)* A portion of all
24 increased franchise fees collected from utilities and other businesses using
25 public rights-of-way within the district; or ~~(2)~~ *(ii)* a portion of the sales and
26 use tax revenues received by the city or county and collected pursuant to
27 K.S.A. 12-187, and amendments thereto; or

28 (F) by any combination of these methods.

29 The city or county may pledge ~~such~~ *the* revenue to the repayment of
30 ~~such~~ *the* special obligations bonds prior to, simultaneously with, or
31 subsequent to the issuance of ~~such~~ *the* special obligation bonds.

32 (2) Bonds issued under this subsection shall not be general
33 obligations of the city or county, ~~not~~ *nor* in any event shall they give rise
34 to a charge against the general credit or taxing powers of the city or
35 county, or be payable out of any funds or properties other than any of those
36 set forth in this subsection. ~~Such~~ *The* bonds shall so state on their face.

1 (3) The bonds issued under the provisions of this subsection shall be
2 special obligations of the city or county and are declared to be negotiable
3 instruments. The bonds shall be executed by the mayor and clerk of the
4 city or, in the case of counties, by the chairman of the board of county
5 commissioners and clerk of the county, and shall be sealed with the
6 corporate seal of the city or the seal of the county. All details pertaining to
7 the issuance of ~~such~~ *the* special obligation bonds shall be determined by
8 ordinance of the city or resolution of the county. All special obligation
9 bonds issued pursuant to this act shall be exempt from all state taxes. The
10 special obligation bonds shall contain none of the recitals set forth in
11 K.S.A. 10-112, and amendments thereto. The special obligation bonds
12 shall contain the following recitals, viz., the authority under which ~~such~~
13 *the* special obligation bonds are issued, they are in conformity with the
14 provisions, restrictions and limitations thereof, and that ~~such~~ *the* special
15 obligation bonds and the interest thereon are to be paid from the money
16 and revenue received as provided in paragraph (1) of this subsection.

17 (4) The maximum maturity on bonds issued to finance projects
18 pursuant to this act shall not exceed ~~15~~ 25 years.

19 (5) Any city or county issuing special obligation bonds under the
20 provisions of this act may refund all or part of ~~such~~ *the* issue pursuant to
21 the provisions of K.S.A. 10-116a, and amendments thereto.

22 (b) In the event the city or county shall default in the payment of any
23 special obligation bonds as authorized pursuant to ~~paragraph (1) of~~
24 subsection (a)(1) of this section, and amendments thereto, no public funds
25 shall be used to pay the holders thereof except as otherwise specifically
26 authorized in this act.

27 (c) Any and all terms, conditions, exclusions and limitations ~~which~~
28 *that* are otherwise applicable to bonds issued by authority of K.S.A. 12-
29 1774, *and amendments thereto*, shall also be applicable to bonds issued
30 pursuant to this section.

31 Sec. 2. K.S.A. 2018 Supp. 12-5248 is hereby repealed.

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