

2021 Kansas Statutes

75-4294. **Same; procedures of state treasurer; agreement requirements.** (a) The state treasurer may accept or reject an economic recovery loan deposit loan package based on the state treasurer's evaluation of whether the loan to the eligible borrower meets the requirements of the Kansas economic recovery loan deposit program. If sufficient funds are not available for an economic recovery loan deposit, then the applications may be considered in the order received when funds are once again available, subject to a review by the lending institution. The fact that an eligible borrower received a loan under the Kansas extraordinary utility costs loan deposit program shall not preclude such eligible borrower from receiving a loan under this program.

(b) Upon acceptance, the state treasurer shall certify to the director of investments the amount required for such economic recovery loan deposit loan package, and the director of investments shall place an economic recovery loan deposit in the amount certified by the state treasurer with the eligible lending institution at an interest rate that is 2% below the market rate as provided in K.S.A. 75-4237, and amendments thereto, and that shall be recalculated on the first business day of January of each year using the market rate then in effect. The minimum interest rate shall be 0.25% if the market rate is below 2.25%. When necessary, the state treasurer may request the director of investments to place such economic recovery loan deposit with the eligible lending institution prior to acceptance of an economic recovery loan deposit loan package.

(c) The eligible lending institution shall enter into an economic recovery loan deposit agreement with the state treasurer. Such agreement shall include requirements necessary to implement the purposes of the Kansas economic recovery loan deposit program. Such requirements shall include an agreement by the eligible lending institution to lend an amount equal to the economic recovery loan deposit to eligible borrowers at an interest rate that is not more than 3% greater than the interest rate on economic recovery loan deposits as provided in subsection (b). Such rate shall be recalculated on the first business day of January of each year using the market rate then in effect. The agreement shall include provisions for the economic recovery loan deposit to be placed for a period of time not to exceed 10 years that is considered appropriate in coordination with the underlying economic recovery loan. The agreement shall include provisions for the reduction of the economic recovery loan deposit in an amount equal to any payment of loan principal by the eligible borrower.

History: L. 2021, ch. 87, § 12; April 29.