76-7,120.   Same; bonds; limitations; loan agreements. (a) (1) Subject to the provisions of this section, the Kansas development finance authority is hereby authorized to issue bonds to finance the cost of projects. Projects which are approved by the state board under the program are hereby approved for the state board for the purposes of subsection (b) of K.S.A. 74-8905, and amendments thereto. The aggregate principal amount of bonds issued pursuant to this section in a single fiscal year shall not exceed $100,000,000 [*], plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for projects during the time such improvements are being made and any required reserves for the payment of principal and interest on the bonds. The aggregate principal amount of bonds issued pursuant to this section in a single fiscal year shall not exceed $20,000,000, plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for projects during the time such improvements are being made 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. The debt service for any such bonds issued for such project shall be paid by appropriations of moneys from the state general fund as may be necessary to pay debt service on the bonds. Subject to the provisions of appropriations acts, and as directed by the Kansas development finance authority, payment of principal and interest on the bonds shall be made by the state board from annual appropriations by the legislature or from any other moneys as may be made available by law or from the postsecondary educational institution in amounts sufficient to pay the principal and interest on the bonds until the bonds are finally paid. The state board is authorized to enter into loan agreements with a postsecondary educational institution to provide for payment of principal on the bonds. All moneys received pursuant to such agreements shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the state general fund.

(2)   No bonds shall be issued pursuant to this section after June 30, 2012.

(b)   The aggregate principal amount of bonds issued pursuant to this section to finance the cost of projects at a single postsecondary educational institution shall not exceed $15,000,000, plus all amounts required for costs of bond issuance, costs of interest on the bonds issued for projects during the time such improvements are being made and any required reserves for the payment of principal and interest on the bonds.

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

(d)   Subject to the provisions of appropriation acts, the secretary of administration may enter into pledge agreements with the state board and the Kansas development finance authority to pledge moneys for the payment of bonds issued pursuant to the approval in subsection (a).

(e)   Any postsecondary educational institutions may apply for a loan under the program. Applications shall be submitted in the manner and form required by the state board. The state board may enter into agreements with the postsecondary educational institutions for the provision of a loan and for the payment of all or a part of eligible project costs. The purposes for which the loan is to be provided, the amount thereof and the repayment terms and conditions shall be included in the agreement entered into pursuant to subsection (d).

(f)   The first payment of any principal and interest on bonds issued pursuant to this section during fiscal year 2008, shall not be made prior to July 1, 2008.

History: L. 2007, ch. 200, § 12; May 24.

* Sentence should state that the maximum amount of bonds which may be issued over the course of the program shall not exceed $100,000,000.