

HOUSE BILL No. 2395

By Committee on Appropriations

2-17

AN ACT concerning housing; relating to the Kansas development finance authority; authorizing the issuance of mortgage revenue bonds; amending K.S.A. 12-5233, 74-8902, 74-8904, 74-8905 and 74-8912 and repealing the existing sections.

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

Section 1. K.S.A. 74-8902 is hereby amended to read as follows: 74-8902. The following words or terms used in this act shall have the following meanings unless a different meaning clearly appears from the context:

(a) "Act" means the Kansas development finance authority act.

(b) "Authority" means the Kansas development finance authority created by K.S.A. 74-8903, and amendments thereto.

(c) "Agricultural business enterprises" means facilities supporting or utilized in the operation of farms, ranches and other agricultural, aquacultural or silvicultural commodity producers and services provided in conjunction with the foregoing. "Agricultural business enterprise" shall not include a swine production facility on agricultural land which is owned, acquired, obtained or leased by a corporation, limited liability company, limited partnership, corporate partnership or trust.

(d) "Agricultural land," "corporation," "corporate partnership," "limited liability company," "limited partnership," "swine production facility" and "trust" have the meanings ascribed pursuant to K.S.A. 17-5903, and amendments thereto.

(e) "Board of directors" means the board of directors of the authority created by K.S.A. 74-8903, and amendments thereto.

(f) "Bonds" means any bonds, notes, debentures, interim certificates, grant and revenue anticipation notes, interest in a lease, lease certificate of participation or other evidences of indebtedness, whether or not the interest on which is subject to federal income taxation, issued by the authority pursuant to this act.

(g) "Capital improvements" means any physical public betterment or improvement or any preliminary plans, studies or surveys relative thereto; land or rights in land, including, without limitations, leases, air rights, easements, rights-of-way or licenses; and any furnishings, machinery, vehicles, apparatus or equipment for any public betterment or

1 improvement.

2 (h) "Construct" means to acquire or build, in whole or in part, in
3 such manner and by such method as the authority shall determine to be
4 in the public interest and necessary to accomplish the purposes of and
5 authority set forth in this act.

6 (i) "Loans" means loans made for the purposes of financing any of
7 the activities authorized within this act, including loans made to financial
8 institutions for funding or as security for loans made for accomplishing
9 any of the purposes of this act and reserves and expenses appropriate or
10 incidental thereto.

11 (j) "Educational facilities" means real, personal and mixed property
12 of any and every kind intended by an educational institution in further-
13 ance of its educational program.

14 (k) "Facilities" means any real property, personal property or mixed
15 property of any and every kind.

16 (l) "Health care facilities" means facilities for furnishing physical or
17 mental health care.

18 (m) "Housing development" means any work or undertaking,
19 whether new construction or rehabilitation, which is designed and fi-
20 nanced pursuant to the provisions of this act for the primary purpose of
21 providing dwelling accommodations for elderly persons and families of
22 low or moderate income in need of housing.

23 (n) "Industrial enterprise" means facilities for manufacturing, pro-
24 ducing, processing, assembling, repairing, extracting, warehousing, dis-
25 tributing, communications, computer services, transportation, corporate
26 and management offices and services provided in connection with any of
27 the foregoing, in isolation or in any combination, that involve the creation
28 of new or additional employment or the retention of existing employment.

29 (o) "Political subdivision" means political or taxing subdivisions of the
30 state, including municipal and quasi-municipal corporations, boards, com-
31 missions, authorities, councils, committees, subcommittees and other
32 subordinate groups or administrative units thereof, receiving or expend-
33 ing and supported, in whole or in part, by public funds.

34 (p) "Pooled bonds" means bonds of the authority, the interest on
35 which is subject to federal income taxation, which are issued for the pur-
36 pose of acquiring bonds issued by two or more political subdivisions.

37 (q) "Project of statewide as well as local importance" means a project
38 as to which the secretary of commerce and housing has made a finding
39 that at least: (i) Capital improvements costing not less than \$300,000,000
40 or, if constructed in a county which according to the 1990 decennial
41 census contained a population of 25,000 or less, costing not less than
42 \$5,000,000 will be built in the state for such project; (ii) not less than
43 1,500 or, if created in a county which according to the 1990 decennial

1 census contained a population of 25,000 or less, not less than 150 per-
2 manent and seasonal employment positions as defined by K.S.A. 74-
3 50,114, and amendments thereto, will be created in the state by such
4 project; (iii) is located outside of the city limits of any city at the time of
5 such finding; and (iv) is to be located at a site designated as a federal
6 enclave as of January 1, 1998.

7 (r) "State" means the state of Kansas.

8 (s) "State agency" means any office, department, board, commission,
9 bureau, division, public corporation, agency or instrumentality of this
10 state.

11 (t) "Home" means (1) (A) a one to four family residence;

12 (B) a condominium as defined in K.S.A. 58-3102, and amendments
13 thereto;

14 (C) a manufactured home, as defined by K.S.A. 58-4202, and amend-
15 ments thereto; or

16 (D) a mobile home, as defined by K.S.A. 58-4202, and amendments
17 thereto, having a permanent foundation which may not be removed intact
18 from the land; and

19 (2) consists of the land and improvements thereon, which is either
20 owned and occupied or is owned and is to be occupied by the mortgagor,
21 and in the case of a two to four family residence one unit of the residence,
22 shall be either owned and occupied or is owned and is to be occupied by
23 the mortgagor.

24 (u) "Home mortgage loan" means a loan to a mortgagor evidenced by
25 a promissory note and secured by a mortgage, purchased or originated
26 by the authority made for the purpose of acquiring, constructing or im-
27 proving a home.

28 (v) "Lending institution" means any bank, bank holding company,
29 credit union, trust company, savings bank, national banking association,
30 savings and loan association, building and loan association, mortgage
31 banker or other financial institution which customarily originates or serv-
32 ices home mortgages.

33 (w) "Mortgagor" means any person of low or moderate income who
34 has received or qualifies to receive a home mortgage loan on a home.

35 (x) "Persons of low or moderate income" means a person or family,
36 consisting of one or more persons all of whom occupy or will occupy the
37 home, whose aggregate gross income shall not exceed a maximum amount
38 to be established by the authority, determined in accordance with appro-
39 priate criteria, rules and regulations and approved by the authority in
40 connection with the implementation of a residential housing finance plan.

41 (y) "Residential housing finance plan" means a program implemented
42 under this act by the authority to assist persons of low or moderate income
43 in acquiring safe, decent and sanitary housing. Such plan shall include

1 *provisions allowing each lending institution with an office located within*
2 *the state, an equal opportunity to participate in accordance with the stan-*
3 *dards and requirements established by the authority. Nothing in this sec-*
4 *tion shall preclude the use of out-of-state master servicers.*

5 Sec. 2. K.S.A. 74-8904 is hereby amended to read as follows: 74-
6 8904. Except as otherwise limited by this act, the authority shall have the
7 following powers to:

8 (a) Sue and be sued;

9 (b) have a seal and alter such seal;

10 (c) make and alter bylaws for its organization and internal
11 management;

12 (d) adopt such rules and regulations as may be necessary to carry out
13 the purposes of this act;

14 (e) acquire, hold and dispose of real and personal property for its
15 corporate purposes;

16 (f) appoint officers, agents and employees, prescribe their duties and
17 qualifications and fix their compensation;

18 (g) borrow money and to issue notes, bonds and other obligations
19 pursuant to K.S.A. 74-8905, and amendments thereto, whether or not the
20 interest on which is subject to federal income taxation, and to provide for
21 the rights of the lenders or holders thereof;

22 (h) purchase notes or participations in notes evidencing loans which
23 are secured by mortgages or security interests and to enter into contracts
24 in that regard;

25 (i) make secured or unsecured loans for any of the purposes for which
26 bonds of the authority may be issued under this act or to low and mod-
27 erate income multifamily rental housing projects participating in pro-
28 grams established in section 42 of the federal internal revenue code, and
29 provide financing for housing projects and programs in participation with
30 programs established by the United States department of housing and
31 urban development or the Kansas department of commerce and housing;
32 ~~except as otherwise provided in this subsection, nothing in this act shall~~
33 ~~be construed to authorize the authority to make loans directly to individ-~~
34 ~~uals to finance housing developments;~~

35 (j) sell mortgages and security interests at public or private sale, to
36 negotiate modifications or alterations in mortgage and security interests,
37 to foreclose on any mortgage or security interest in default or commence
38 any action to protect or enforce any right conferred upon it by any law,
39 mortgage, security agreement, contract or other agreement, and to bid
40 for and purchase property which was the subject of such mortgage or
41 security interest at any foreclosure or at any other sale, to acquire or take
42 possession of any such property, and to exercise any and all rights as
43 provided by law for the benefit or protection of the authority or mortgage

1 holders;

2 (k) collect fees and charges in connection with its loans, bond guar-
3 antees, commitments and servicing, including, but not limited to, reim-
4 bursement of costs of financing as the authority shall determine to be
5 reasonable and as shall be approved by the authority;

6 (l) make and execute contracts for the servicing of mortgages ac-
7 quired by the authority pursuant to this act, and to pay the reasonable
8 value of services rendered to the authority pursuant to those contracts;

9 (m) enter into agreements with and accept gifts, grants, loans and
10 other aid from the federal government, the state, any state agency, any
11 political subdivision of the state, or any person or corporation, foundation
12 or legal entity, and to agree to and comply with any conditions attached
13 to federal and state financial assistance not inconsistent with the provi-
14 sions of this act;

15 (n) invest moneys of the authority not required for immediate use,
16 including proceeds from the sale of any bonds, in such manner as the
17 board shall determine, subject to any agreement with bondholders stated
18 in the authorizing resolution providing for the issuance of bonds;

19 (o) procure insurance against any loss in connection with its pro-
20 grams, property and other assets;

21 (p) provide technical assistance and advice to the state or political
22 subdivisions of the state and to enter into contracts with the state or
23 political subdivisions of the state to provide such services. The state or
24 political subdivisions of the state are hereby authorized to enter into con-
25 tracts with the authority for such services and to pay for such services as
26 may be provided them;

27 (q) establish accounts in one or more depositories;

28 (r) lease, acquire, construct, sell and otherwise deal in and contract
29 concerning any facilities;

30 (s) have and exercise all of the powers granted to the public housing
31 authorities by the state, except that the authority shall not have the power
32 of eminent domain;

33 (t) do any and all things necessary or convenient to carry out purposes
34 of the authority and exercise the powers given and granted in this act;

35 (u) assist minority businesses in obtaining loans or other means of
36 financial assistance. The terms and conditions of such loans or financial
37 assistance, including the charges for interest and other services, will be
38 consistent with the provisions of this act. In order to comply with this
39 requirement, efforts must be made to solicit for review and analysis pro-
40 posed minority business ventures. Basic loan underwriting standards will
41 not be waived to inconsistently favor minority persons or businesses from
42 the intent of the authority's lending practices; ~~and~~

43 (v) form one or more subsidiary corporations under K.S.A. 17-6001

1 *et seq.*, and amendments thereto, in accordance with the procedures
2 therein contained. Each subsidiary corporation shall be subject to the
3 same restrictions and limitations as to the powers and purposes to which
4 the authority is subject. The authority may delegate any of its powers,
5 obligations and duties to any subsidiary corporation by inclusion of such
6 powers, obligations and duties in the articles of incorporation of the sub-
7 subsidiary corporation. Subsidiary corporations so formed shall constitute
8 legal entities separate and distinct from each other, the authority and the
9 state. The authority shall not be liable for the debts or obligations or for
10 any actions or inactions of its subsidiary corporations unless the authority
11 expressly agrees otherwise in writing. The authority may make loans or
12 grants to a subsidiary corporation from time to time to enable the sub-
13 subsidiary corporation to carry out its purposes. The members of the au-
14 thority shall constitute all of the directors of each subsidiary corporation.

15 The state, any municipality or any state commission, public authority,
16 agency, officer, department, board or division authorized and empowered
17 to enter into agreements with, to grant, convey, lease or otherwise transfer
18 any property to, or to otherwise transact business with the authority, shall
19 have the same authorization and power to engage in these activities with
20 each subsidiary corporation of the authority.

21 One or more such subsidiary corporation may be formed for purposes
22 of establishing state tax credit equity funds to assist in the development
23 of low-income and middle-income housing and obtain financing through
24 participation in the program established in section 42 of the federal in-
25 ternal revenue code.

26 Actions of the authority or any subsidiary corporation relating to hous-
27 ing pursuant to this subsection (v) shall be carried out in accordance with
28 any terms, conditions and limitations relating to policy issues regarding
29 housing, as established by the secretary of commerce and housing.

30 One or more such subsidiary corporations may be formed for purposes
31 of acquiring or conveying on behalf of the state and pursuant to this act
32 a project of statewide as well as local importance, issuing bonds on behalf
33 of the state pursuant to this act to finance a project of statewide as well
34 as local importance or otherwise financing on behalf of the state pursuant
35 to this act a project of statewide as well as local importance. The Kansas
36 statewide projects development corporation is hereby created in accord-
37 ance with this section;

38 *(w) participate in, administer, coordinate and enter into any agree-*
39 *ments to facilitate or to provide any financings as may be related to any*
40 *tax credit programs which from time to time may be authorized by the*
41 *federal or state government; and*

42 *(x) with respect to home mortgage loans, in addition to other powers*
43 *of the authority pursuant to this act:*

1 (1) to acquire, and to contract and enter into advance commitments
2 to acquire, home mortgage loans owned by lending institutions at such
3 prices and upon such other terms and conditions determined by the au-
4 thority or such other person as it may designate as its agent;

5 (2) to make and execute contracts with lending institutions for the
6 origination and servicing of home mortgage loans on behalf of the au-
7 thority and to pay the reasonable value of services rendered in accordance
8 with such contracts;

9 (3) to establish, by rules and regulations, by resolution relating to any
10 issuance of bonds or in any financing documents relating to such issuance,
11 such standards and requirements applicable to the purchase of home
12 mortgage loans or the origination of home mortgage loans as the authority
13 deems necessary or desirable to effectuate the public purposes of this act;

14 (4) to authorize the sale or other disposition of any home mortgage
15 loan, in whole or in part, upon such terms, at such prices and times, and
16 from time to time, as may be deemed appropriate and necessary;

17 (5) to pledge any revenues and receipts to be received from or in
18 connection with any home mortgage loans to the punctual payment of
19 bonds therefore, and the interest and redemption premiums, if any,
20 thereon; and

21 (6) to pledge or grant security interests in any home mortgage loans,
22 notes, revenues therefrom or other property in favor of the holder or
23 holders of bonds issued therefore.

24 Sec. 3. K.S.A. 74-8905 is hereby amended to read as follows: 74-
25 8905. (a) The authority may issue bonds, either for a specific activity or
26 on a pooled basis for a series of related or unrelated activities or projects
27 duly authorized by a political subdivision or group of political subdivisions
28 of the state in amounts determined by the authority for the purpose of
29 financing projects of statewide as well as local importance as defined
30 pursuant to K.S.A. ~~12-1744~~ 74-8902, and amendments thereto, capital
31 improvement facilities, educational facilities, health care facilities and
32 housing developments. Nothing in this act shall be construed to authorize
33 the authority to issue bonds or use the proceeds thereof to:

34 (1) Purchase, condemn or otherwise acquire a utility plant or distri-
35 bution system owned or operated by a regulated public utility;

36 (2) finance any capital improvement facilities, educational facilities or
37 health care facilities which may be financed by the issuance of general
38 obligation or utility revenue bonds of a political subdivision, except that
39 the acquisition by the authority of general obligation or utility revenue
40 bonds issued by political subdivisions with the proceeds of pooled bonds
41 shall not violate the provisions of the foregoing; or

42 (3) purchase, acquire, construct, reconstruct, improve, equip, fur-
43 nish, repair, enlarge or remodel property for any swine production facility

1 on agricultural land which is owned, acquired, obtained or leased by a
2 corporation, limited liability company, limited partnership, corporate
3 partnership or trust.

4 Nothing in this subsection (a) shall prohibit the issuance of bonds by
5 the authority when any statute specifically authorizes the issuance of
6 bonds by the authority or approves any activity or project of a state agency
7 for purposes of authorizing any such issuance of bonds in accordance with
8 this section and provides an exemption from the provisions of this sub-
9 section (a).

10 (b) The authority may issue bonds for activities and projects of state
11 agencies as requested by the secretary of administration. No bonds may
12 be issued pursuant to this act for any activity or project of a state agency
13 unless the activity or project either has been approved by an appropriation
14 or other act of the legislature or has been approved by the state finance
15 council acting on this matter which is hereby characterized as a matter
16 of legislative delegation and subject to the guidelines prescribed in sub-
17 section (c) of K.S.A. 75-3711c, and amendments thereto. When requested
18 to do so by the secretary of administration, the authority may issue bonds
19 for the purpose of refunding, whether at maturity or in advance of ma-
20 turity, any outstanding bonded indebtedness of any state agency. The
21 revenues of any state agency which are pledged as security for any bonds
22 of such state agency which are refunded by refunding bonds of the au-
23 thority may be pledged to the authority as security for the refunding
24 bonds.

25 (c) The authority may issue bonds for the purpose of financing in-
26 dustrial enterprises, agricultural business enterprises, educational facili-
27 ties, health care facilities and housing developments, or any combination
28 of such facilities, or any interest in facilities, including without limitation
29 leasehold interests in and mortgages on such facilities. No less than 30
30 days prior to the issuance of any bonds authorized under this act with
31 respect to any project or activity which is to be undertaken for the direct
32 benefit of any person or entity which is not a state agency or a political
33 subdivision, written notice of the intention of the authority to provide
34 financing and issue bonds therefor shall be given by the president of the
35 authority to the governing body of the city in which the project or activity
36 is to be located. If the project or activity is not proposed to be located
37 within a city, such notice shall be given to the governing body of the
38 county. No bonds for the financing of the project or activity shall be issued
39 by the authority for a one-year period if, within 15 days after the giving
40 of such notice, the governing body of the political subdivision in which
41 the project or activity is proposed to be located shall have adopted an
42 ordinance or resolution stating express disapproval of the project or ac-
43 tivity and shall have notified the president of the authority of such

1 disapproval.

2 (d) The authority may issue bonds for the purpose of establishing and
3 funding one or more series of venture capital funds in such principal
4 amounts, at such interest rates, in such maturities, with such security, and
5 upon such other terms and in such manner as is approved by resolution
6 of the authority. The proceeds of such bonds not placed in a venture
7 capital fund or used to pay or reimburse organizational, offering and ad-
8 ministrative expenses and fees necessary to the issuance and sale of such
9 bonds shall be invested and reinvested in such securities and other in-
10 struments as shall be provided in the resolution under which such bonds
11 are issued. Moneys in a venture capital fund shall be used to make venture
12 capital investments in new, expanding or developing businesses, includ-
13 ing, but not limited to, equity and debt securities, warrants, options and
14 other rights to acquire such securities, subject to the provisions of the
15 resolution of the authority. The authority shall establish an investment
16 policy with respect to the investment of the funds in a venture capital
17 fund not inconsistent with the purposes of this act. The authority shall
18 enter into an agreement with a management company experienced in
19 venture capital investments to manage and administer each venture cap-
20 ital fund upon terms not inconsistent with the purposes of this act and
21 such investment policy. The authority may establish an advisory board to
22 provide advice and consulting assistance to the authority and the man-
23 agement company with respect to the management and administration of
24 each venture capital fund and the establishment of its investment policy.
25 All fees and expenses incurred in the management and administration of
26 a venture capital fund not paid or reimbursed out of the proceeds of the
27 bonds issued by the authority shall be paid or reimbursed out of such
28 venture capital fund.

29 (e) The authority may issue bonds in one or more series for the pur-
30 pose of financing a project of statewide as well as local importance in
31 connection with a redevelopment plan that is approved by the authority
32 in accordance with K.S.A. 74-8921 and 74-8922, and amendments
33 thereto.

34 (f) After receiving and approving the feasibility study required pur-
35 suant to K.S.A. 74-8936, and amendments thereto, the authority may
36 issue bonds in one or more series for the purpose of financing a multi-
37 sport athletic project in accordance with K.S.A. 74-8936 through 74-8938,
38 and amendments thereto. If the project is to be constructed in phases, a
39 similar feasibility study shall be performed prior to issuing bonds for the
40 purpose of financing each subsequent phase.

41 (g) The authority may issue bonds for the purpose of financing resort
42 facilities, as defined in subsection (a) of K.S.A. 32-867, and amendments
43 thereto, in an amount or amounts not to exceed \$30,000,000 for any one

1 resort. The bonds and the interest thereon shall be payable solely from
2 revenues of the resort and shall not be deemed to be an obligation or
3 indebtedness of the state within the meaning of section 6 of article 11 of
4 the constitution of the state of Kansas. The authority may contract with
5 a subsidiary corporation formed pursuant to subsection (v) of K.S.A. 74-
6 8904, and amendments thereto, or others to lease or operate such resort.
7 The provisions of K.S.A. 32-867, 32-868, 32-870 through 32-873 and 32-
8 874a through 32-874d, and amendments thereto, shall apply to resorts
9 and bonds issued pursuant to this subsection.

10 *(h) The authority may issue bonds for the purpose of financing, ac-*
11 *quiring or originating home mortgage loans.*

12 ~~(i)~~ *(i)* The authority may use the proceeds of any bond issues herein
13 authorized, together with any other available funds, for venture capital
14 investments or for purchasing, leasing, constructing, restoring, renovat-
15 ing, altering or repairing facilities as herein authorized, for making loans,
16 purchasing mortgages or security interests in loan participations and pay-
17 ing all incidental expenses therewith, paying expenses of authorizing and
18 issuing the bonds, paying interest on the bonds until revenues thereof are
19 available in sufficient amounts, purchasing bond insurance or other credit
20 enhancements on the bonds, and funding such reserves as the authority
21 deems necessary and desirable. All moneys received by the authority,
22 other than moneys received by virtue of an appropriation, are hereby
23 specifically declared to be cash funds, restricted in their use and to be
24 used solely as provided herein. No moneys of the authority other than
25 moneys received by appropriation shall be deposited with the state
26 treasurer.

27 ~~(j)~~ *(j)* Any time the authority is required to publish a notification pur-
28 suant to the tax equity and fiscal responsibility act of 1982, the authority
29 shall further publish such notification in the Kansas register.

30 ~~(k)~~ *(k)* Any time the authority issues *private activity* bonds pursuant
31 to this section, *other than bonds issued pursuant to subsection (h)* the
32 authority shall publish notification of such issuance at least 14 days prior
33 to any bond hearing in the official county newspaper of the county in
34 which the project or activity financed by such bonds are located and in
35 the Kansas register.

36 Sec. 4. K.S.A. 74-8912 is hereby amended to read as follows: 74-
37 8912. Bonds may be issued for the purpose of refunding, either at ma-
38 turity or in advance of maturity, any bonds issued under this act *and any*
39 *bonds issued by a political subdivision pursuant to the local residential*
40 *housing finance law, K.S.A. 12-5219 et seq., and amendments thereto, or*
41 *for any other purpose for which bonds may be issued under this act.* Such
42 refunding bonds may either be sold or delivered in exchange for the bonds
43 being refunded. If sold, the proceeds may either be applied to the pay-

1 ment of the bonds being refunded or deposited in trust and there main-
2 tained in cash or investments for the retirement of the bonds being re-
3 funded, as shall be specified by the authority and the authorizing
4 resolution or trust indenture securing such refunding bonds. The au-
5 thoring resolution or trust indenture securing the refunding bonds may
6 provide that the refunding bonds shall have the same security for their
7 payment as provided for the bonds being refunded. Refunding bonds
8 shall be sold and secured in accordance with the provisions of this act
9 pertaining to the sale and security of the bonds.

10 New Sec. 5. The authority shall be the exclusive governmental issuer
11 or sponsor within the state of programs involving the issuance of bonds,
12 notes or other evidences of indebtedness, trust certificates, and partner-
13 ship interests and other evidences of equity participations that finance,
14 or are payable in whole or in part from, home mortgage loans, and any
15 mortgage credit certificates program, including the refunding or re-fi-
16 nancing of any such programs; provided that the authority may issue
17 bonds to refund bonds, notes or other evidences of indebtedness issued
18 by a political subdivision prior to the effective date of this section to
19 finance, which are payable in whole or in part from, home mortgage loans
20 only pursuant to an agreement between the authority and such political
21 subdivision with respect to refunding such bonds, notes or other evi-
22 dences of indebtedness and, absent such agreement, such political sub-
23 division may refund such bonds, notes or other evidences of indebtedness.

24 Sec. 6. K.S.A. 12-5233 is hereby amended to read as follows: 12-
25 5233. The powers conferred by this act are in addition and supplemental
26 to, and the limitations imposed by this act shall not affect, the powers
27 conferred upon municipalities under the provisions of the constitution or
28 laws of the state of Kansas. Home mortgage loans may be acquired, pur-
29 chased and financed, and, *subject only to new section 5, and amendments*
30 *thereto*, bonds may be issued under this act for such purposes, notwith-
31 standing that any other law may provide for the acquisition, purchase and
32 financing of like home mortgage loans, or the issuance of bonds for like
33 purposes, and such home mortgage loans may be made upon such terms
34 and conditions and contain such provisions as the governing body of the
35 city or county determines consistent with the provisions of this act not-
36 withstanding and without regard to the requirements, restrictions, limi-
37 tations or other provisions contained in any law or any other resolution.
38 Nothing in this act shall be deemed or construed to prohibit the exercise
39 of the powers conferred upon municipalities in connection with the fi-
40 nancing of federally assisted housing for persons of low and moderate
41 income.

42 Sec. 7. K.S.A. 12-5233, 74-8902, 74-8904, 74-8905 and 74-8912 are
43 hereby repealed.

1 Sec. 8. This act shall take effect and be in force from and after its
2 publication in the statute book.
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