

SESSION OF 2008

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2873

As Recommended by House Committee on
Judiciary

Brief*

HB 2873 would revoke the approval of the issuance of bonds for capital improvement projects to expand prison capacity by the Kansas Development Finance Authority (KDFA) which was granted in State Finance Council Resolution No. 07-572, adopted by the State Finance Council on October 17, 2007. The bill would further prohibit appropriated money from being expended by the Department of Corrections (DOC) or any other agency for the issuance of bonds by KDFA or for the planning and design for capital improvement projects to expand prison capacity. The bill would prohibit KDFA from issuing the bonds as authorized by the State Finance Council resolution for capital improvements or for the planning and design of capital improvement projects to expand prison capacity.

The bill would note that the revocation of authority is based upon the consideration of the official inmate population projections of the Kansas Sentencing Commission, which do not indicate a need for expanded prison capacity.

Finally, the bill makes null and void the provisions of 2007 HB 2368 that granted the authority to the Department of Corrections for fiscal year 2009 to expend moneys for the issuance of bonds by KDFA for capital improvement projects to expand prison capacity, subject to approval of the State Finance Council.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

Representative Mike O'Neal spoke in favor of the bill. There was no opposition to the bill.

The fiscal note indicates that the KDFA estimates that the fiscal effect from the enactment of HB 2873 would be negligible and could be absorbed within current resources. The DOC has already issued \$1.7 million of the \$39.5 million in bonds. The KDFA indicates no additional funds would be needed to return the proceeds of the issued bonds. However, the agency notes it would not be able to collect its fee of \$3,500 for issuing the bonds, and it would incur legal costs in the amount of \$4,500.