Session of 2019

SENATE BILL No. 192

By Committee on Ways and Means

2-14

AN ACT concerning transportation; relating to toll projects; authorizing
 the secretary of transportation to designate or construct toll projects;
 changing toll project financing requirements; amending K.S.A. 68-2002, 68-2004, 68-2008, 68-20,120 and 68-2301 and repealing the
 existing sections.

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

8 Section 1. K.S.A. 68-2002 is hereby amended to read as follows: 68-9 2002. In order to provide for the construction of modern express highways 10 or superhighways embodying, where feasible and necessary, safety 11 devices, including center division, ample shoulder widths, longsight 12 distances, multiple lanes in each direction and grade separation at 13 intersections with other highways and railroads, and thereby facilitate vehicular traffic, provide better connections between the highway system 14 of Kansas and the highway systems of the adjoining states, remove many 15 16 of the present handicaps and hazards on the congested highways in the state, and promote the agricultural and industrial development of the state, 17 18 the Kansas turnpike authority (hereinafter created) is hereby authorized 19 and empowered to construct, maintain, repair and operate turnpike projects 20 (as hereinbefore defined), and to issue revenue bonds of the authority, 21 payable solely partly from revenues, to finance such projects. No toll road 22 project shall be undertaken unless and until such project and the proposed 23 location therefor have been thoroughly studied with respect to traffic, 24 engineering, cost and financing nor unless such study shows:

(a) That public funds for construction of a free expressway are not available;

(b) that the construction of a toll expressway can be financed wholly
 partly through the investment of private funds in toll road revenue bonds;
 and

(c) that the project and indebtedness incurred therefor will can be
 entirely self-liquidating *financed partly* through tolls and other income
 from operation of the project.

Sec. 2. K.S.A. 68-2004 is hereby amended to read as follows: 68-2004. (a) The authority is hereby authorized and empowered to:

(1) Adopt bylaws for the regulation of its affairs and the conduct ofits business;

(2) adopt an official seal and alter the same at pleasure;

2 (3) maintain an office at such place or places within the state as it 3 may designate;

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(4) sue and be sued in its own name, plead and be impleaded;

5 (5) determine the location, subject to the approval of the secretary of 6 transportation, of each turnpike project financed under the provisions of 7 this act, determine its design and the materials of construction, and 8 construct, maintain, repair and operate the same;

9 (6) issue turnpike revenue bonds of the authority for any of its 10 corporate purposes, payable-solely *partly* from the tolls and revenues 11 pledged for their payment, and to refund its bonds, all as provided in this 12 act;

13 (7) fix and revise from time to time and charge and collect tolls for14 transit over each turnpike project constructed by it;

(8) adopt rules and regulations for the use of any such turnpikeproject, and adopt rules and regulations for traffic control on such project;

17 (9) acquire, hold and dispose of real and personal property in the 18 exercise of its powers and the performance of its duties under this act;

(10) designate the locations, and establish, limit and control such points of ingress to and egress from each turnpike project as may be necessary or desirable in the judgment of the authority to insure the proper operation and maintenance of such project, and to prohibit entrance to such project from any point or points not so designated;

(11) make and enter into all contracts and agreements necessary or
 incidental to the performance of its duties and the execution of its powers
 under this act;

(12) employ consulting engineers, attorneys, accountants,
construction and financial experts, superintendents, managers, and such
other employees and agents as may be necessary in its judgment, and to fix
their compensation;

(13) receive and accept from any federal agency grants for or in aid of the construction of any turnpike project, and to receive and accept aid or contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made; and

(14) do all acts and things necessary or convenient to carry out thepowers expressly granted in this act.

(b) Violation of any of the rules and regulations adopted under this
section shall be unlawful and subject to the penalties contained in K.S.A.
8-2116, and amendments thereto.

41 Sec. 3. K.S.A. 68-2008 is hereby amended to read as follows: 68-42 2008. Revenue bonds issued under the provisions of this act shall not be 43 deemed to constitute a debt of the state or of any political subdivision 1 thereof or a pledge of the faith and credit of the state or of any such 2 political subdivision thereof, but all such bonds shall be payable solely 3 *partly* from the funds-herein provided-therefor from revenues. All such 4 revenue bonds shall contain on the face-thereof a statement to the effect 5 that neither the state nor the authority shall be obligated to pay the same or 6 the interest thereon except from revenues of the project or projects for 7 which they are issued and that neither the faith and credit nor the taxing 8 power of the state or any political subdivision thereof is pledge to the 9 payment of the principal of or the interest on such bonds.

All expenses incurred in carrying out the provisions of this act shall be payable-solely *partly* from funds provided under the authority of this act and no liability or obligation shall be incurred by the authority-hereunder beyond the extent to which moneys shall have been provided under the provisions of this act.

15 Sec. 4. K.S.A. 68-20,120 is hereby amended to read as follows: 68-20,120. In addition to other powers and duties granted to the secretary of 17 transportation:

(a) (1) The secretary of transportation may study the feasibility of
 constructing a new toll project or turnpike project or designating existing
 highways or any portion of such highways, *including bridges*, as a toll
 project or turnpike project *to increase capacity on such existing highway*.

(2) The study of the feasibility of such toll project or turnpike projectshall include, but not be limited to:

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(A) The total cost of such project;

(B) a determination of the funding of such projects, including the useof one or a combination of public funds, private funds or toll revenues;

(C) a determination of the duration of the collection of tolls on such
 projects and if such projects are to become toll-free, a projected date when
 such projects would become toll-free; and

30 (D) a determination, after consulting with local officials, that traffic 31 volume, local participation or other relevant reasons make such tolling 32 project feasible and would be acceptable to the affected local community; 33 and

(D)(E) such other data deemed necessary by the secretary for a determination of the project's feasibility.

(b) After conducting the feasibility study under subsection (a) and if such feasibility study provides a favorable result, the secretary of transportation may recommend the construction of *construct* a new toll project or turnpike project or the designation of *designate* an existing highway or any portion of such highway, *including bridges*, as a toll project or turnpike project *to increase capacity on such existing highway*.

42 Sec. 5. K.S.A. 68-2301 is hereby amended to read as follows: 68-43 2301. (a) In order to provide for the construction of modern express 1 highways and freeways to link the principal population centers of the state

2 with the major express highways and freeways in this and other states, 3 facilitate vehicular traffic in the areas to be served, remove many of the 4 present handicaps and hazards on the congested highways in the state and 5 promote the agricultural and industrial development of the state, the 6 secretary of transportation is hereby authorized, empowered and directed 7 to establish and construct a state system of modern express highways and 8 freeways. The express highways and freeways within said system shall be 9 constructed pursuant to the criteria established in subsection (b) of this-10 section and shall be located by the secretary of transportation within the 11 following corridors:

12 (1) Commencing in the vicinity of the intersection of U.S. highway 13 54 and the Kansas-Oklahoma border, thence proceeding in a northeasterly and easterly direction, within a corridor including and generally delineated 14 15 by said U.S. highway 54, to the vicinity of the point in Butler county 16 where said U.S. highway 54 and state highway 96 divide; thence 17 proceeding in an easterly and southeasterly direction, generally described 18 by said highway 96, to the vicinity of the juncture of state highway 96 and state highway 39; thence in a southeasterly direction, within a corridor 19 20 including and generally delineated by state highway 96, U.S. highway 160 21 and state highway 57, to the Kansas-Missouri border;

22 (2) commencing in the vicinity of the intersection of interstate 23 highway 70 and U.S. highway 183, near the city of Hays in Ellis county; 24 thence in a southeasterly direction to the general vicinity of the 25 intersection of the east city limits of the city of Great Bend in Barton 26 county and state highway 96; thence in an easterly and southeasterly 27 direction, within a corridor including and generally delineated by state 28 highway 96, to the vicinity of the juncture of state highway 96 and U.S. 29 highway 54 in Sedgwick county;

(3) commencing in the vicinity of the intersection of the north city
limits of the city of Hutchinson in Reno county and state highway 61;
thence in a northeasterly direction, within a corridor including and
generally delineated by state highway 61, to a point near the south city
limits of the city of McPherson in McPherson county;

(4) commencing in the vicinity of the intersection of U.S. highway 75
and the Kansas-Nebraska border; thence in a southerly direction, within a
corridor including and generally delineated by U.S. highway 75, to a point
near the intersection of said U.S. highway 75 and the proposed right-ofway for interstate highway 35, in the vicinity of the Osage-Coffey county
line;

41 (5) commencing in the vicinity of the intersection of U.S. highway 36
42 and the Kansas-Missouri border; thence in a westerly direction, within a
43 corridor including and generally delineated by U.S. highway 36, to a point

near the intersection of U.S. highways 36 and 81; thence in a southerly
 direction to a point in the vicinity of the intersection of said U.S. highway
 81 and interstate highway 70;

4 (6) commencing in the vicinity of the intersection of the city limits of
5 the city of Atchison in Atchison county and state highway 7; thence in a
6 southerly direction to the vicinity of the intersection of state highway 7
7 and interstate highway 35, near the city of Olathe in Johnson county;

8 (7) commencing in the vicinity of the intersection of U.S. highway 69 9 and interstate highway 435; thence in a southerly direction, within a 10 corridor including and generally delineated by U.S. highway 69, to the 11 Kansas-Oklahoma border;

(8) commencing in the vicinity of the city of Lawrence in Douglas
county; thence in a southerly direction within a corridor which includes the
areas between U.S. highways 75, 59 and 169, to the Kansas-Oklahoma
border in the general vicinity of a point approximately between the cities
of Caney and Coffeyville in Montgomery county; and

(9) commencing in the vicinity of the intersection of the city limits of
the city of Lawrence in Douglas county and state highway 10; thence in an
easterly direction, within a corridor including and generally delineated by
state highway 10, to the vicinity of the intersection of interstate highway
35 and U.S. highways 50 and 56 in the city of Merriam in Johnson county.

22 (b) All of the moneys deposited in the state freeway fund created in 23 K.S.A. 79-3425, and amendments thereto, except moneys accruing to such 24 fund as a result of the interest or earnings from the investment of moneys 25 in the state freeway fund or in the state freeway construction fund, as 26 provided in-subsection (d) of K.S.A. 68-2311(d), and amendments thereto, 27 shall be subject to transfer to the state highway fund, as provided by 28 K.S.A. 79-3425, and amendments thereto. After any such transfer, and 29 subject to the provisions of K.S.A. 68-2311, and amendments thereto, the 30 moneys remaining in the state freeway fund shall be expended by the 31 secretary of transportation for: The construction, reconstruction, 32 improvement and maintenance of the state system of express highways 33 and freeways established in subsection (a) of this section; for the 34 retirement of highway bonds and highway refunding bonds issued under 35 the provisions of this act; and for the purpose of making payments to the 36 Kansas turnpike authority pursuant to the provisions of K.S.A. 68-2096, 37 and amendments thereto, except that such payments shall not be made 38 from the interest or earnings from the investment of moneys in the state 39 freeway construction fund, as provided in K.S.A. 68-2311, and 40 amendments thereto. Moneys in the state freeway fund may be transferred 41 to the state highway fund and may be expended from such fund for:

42 (1) The construction of state highways within the corridors 43 designated in subsection (a) and approved by the secretary of 1 transportation prior to the effective date of this act;

2 (2) the construction of bypass routes not exceeding five miles in 3 length; and

4 (3) the reconstruction, improvement and maintenance of state 5 highways, whether or not such highways are within the corridors 6 designated in subsection (a). Such reconstruction, improvement and 7 maintenance shall be according to need as determined by priorities 8 assigned to such state highways by the secretary of transportation in 9 accordance with established standards and criteria.

10 The allocation and programming of funds within the state system in 11 each fiscal year shall be according to need, as determined by a schedule of priorities assigned to segments of the existing highways which generally 12 delineate the corridors of said state system of express highways and 13 14 freeways. The secretary of transportation shall determine the length of each such segment in establishing said priorities, and the schedule of 15 16 priorities shall be updated every four years on the basis of current criteria 17 at that time. Immediately after the effective date of this act, the secretary 18 of transportation shall evaluate the schedule of priorities and, where 19 necessary, reestablish such schedule in accordance with the following 20 standards and criteria: Except where it is specifically provided by law that 21 any of the highways to be constructed within the corridors designated in 22 subsection (a) shall be constructed so as to include multiple lanes in each 23 direction on roadways separated by a median, barrier or other center 24 division, all highways constructed within the state system of modern 25 express highways and freeways after the effective date of this act may be constructed either with multiple lanes in each direction on roadways 26 27 separated by a median, barrier or other center division or may be 28 constructed with two lanes on a single roadway. Whenever the secretary of 29 transportation deems it necessary and appropriate for the safety of 30 vehicular traffic, such highways shall be designed and constructed to 31 include controlled access, passing lanes, expanded shoulder width, longsight distances, grade separations at intersections with other roads and 32 33 highways and railroads. Nothing herein shall be construed as abrogating, 34 limiting or otherwise affecting the construction of any highway for which 35 bids for the construction thereof have been solicited and received prior to 36 the effective date of this act, nor shall the foregoing be construed as 37 precluding the secretary of transportation, whenever the secretary deems it 38 feasible and appropriate, from acquiring right-of-way sufficient to 39 accommodate the eventual construction of multiple-lane divided highways 40 within any corridor designated in subsection (a).

41 (c) In constructing or reconstructing the state system of modern
42 express highways and freeways established in this section, the secretary
43 shall evaluate from time to time the feasibility of designating a portion or

portions of any of the modern express highways and freeways within the 1 2 system as a toll road. If the secretary shall determine that the designation 3 of any such portion as a toll road is feasible, based on the projected traffic, engineering, cost and financing of the proposed toll road and a 4 determination that adequate public funds for construction of such toll road 5 6 are not available and that the construction of such toll road can be financed 7 entirely partly through proceeds of the bonds issued pursuant to this act, 8 the secretary-shall submit to the legislature a recommendation that such 9 portion be constructed may construct any portion or portions of any of the modern express highways and freeways within the system as a toll road. 10 The recommendation, together with any supporting information deemed-11 necessary by the secretary, may be submitted with or as a part of the-12 annual report required of the secretary in K.S.A. 68-2315. Nothing in this 13 14 subsection shall be construed as abrogating, limiting or otherwise affecting 15 any obligations or duties imposed upon the secretary of transportation 16 under this section with respect to the construction, reconstruction, improvement and maintenance of the state system of modern express 17 highways and freeways, including without limitation location studies, 18 19 engineering, right-of-way acquisition and public hearings, nor shall it 20 affect in any way the allocation, programming or priority of funds therefor. 21 Sec. 6. K.S.A. 68-2002, 68-2004, 68-2008, 68-20,120 and 68-2301

22 are hereby repealed.

Sec. 7. This act shall take effect and be in force from and after itspublication in the statute book.