

SENATE BILL No. 450

By Committee on Ways and Means

2-5

AN ACT relating to the rail service improvement program; amending K.S.A. 2003 Supp. 75-5048 and repealing the existing section.

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

Section 1. K.S.A. 2003 Supp. 75-5048 is hereby amended to read as follows: 75-5048. (a) The secretary of transportation is hereby authorized to make loans or grants to a qualified entity for the purpose of facilitating the financing, acquisition or rehabilitation of railroads in the state of Kansas *or for the purchase of railroad grain hopper cars.*

(b) Such loans or grants shall be made upon such terms and conditions as the secretary of transportation may deem appropriate, and such loans or grants shall be made from funds credited to the rail service improvement fund.

(c) The rail service improvement fund is hereby established in the state treasury which shall be for the purpose of facilitating the financing, acquisition and rehabilitation of railroads *or for the purchase of railroad grain hopper cars* pursuant to subsection (a) of this section and for the refinancing thereof. The secretary of transportation shall administer the rail service improvement fund. All expenditures from the rail service improvement fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of transportation or by a person or persons designated by the secretary.

(d) All moneys received from the federal government under the local rail freight assistance program (49 U.S.C. 1654) shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the rail service improvement fund.

(e) The management and investment of the rail service improvement fund shall be in accordance with K.S.A. 68-2324, and amendments thereto. Notwithstanding anything to the contrary, all interest or other income of the investments, after payment of any management fees, shall be considered income of the rail service improvement fund.

(f) (1) On July 1, 1999, and each July 1 thereafter, the director of

1 accounts and reports shall transfer \$3,000,000 from the state highway
2 fund to the rail service improvement fund.

3 (2) The provisions of this subsection shall expire on June 30, 2007.

4 (g) "Qualified entity" means any interstate commerce commission
5 certificated railroad, a port authority established in accordance with Kan-
6 sas laws, or any entity meeting the rules and regulations established by
7 K.S.A. 75-5050, and amendments thereto.

8 Sec. 2. K.S.A. 2003 Supp. 75-5048 is hereby repealed.

9 Sec. 3. This act shall take effect and be in force from and after its
10 publication in the statute book.

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