

SESSION OF 2010

**SUPPLEMENTAL NOTE ON HOUSE
SUBSTITUTE FOR HOUSE BILL NO. 302**

As Recommended by House Committee on
Transportation

Brief*

House Sub. for SB 302 would set out legislative intent regarding a new comprehensive transportation program, to be called the Transportation Works for Kansas Program. The bill would provide that the program expenditures could be made for purposes including, but not limited to, the following:

- Preservation projects, as determined by Kansas Department of Transportation (KDOT) performance measures;
- Expansion and economic opportunity projects, selected using criteria including engineering and traffic data, local consultation, geographic distribution, and economic impact analysis;
- Modernization projects (such as widening lanes or shoulders and upgrading interchanges), selected using criteria including engineering data, local consultation, and geographic distribution. "Practical improvements," such as adding narrow rather than full 8-foot shoulders on highways with little traffic, would be incorporated into these projects;
- Assistance to cities and counties as under current law, and adding programs to allow local governments to exchange federal aid funds for state funds;

*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>

- Railroad, aviation, and public transit programs, as in current law; and
- A multi-modal economic development program to provide assistance for transportation-sensitive economic opportunities on a local or a regional basis.

The Secretary would select projects using KDOT selections methods and criteria.

The bill would make additional changes to existing law:

- The bill would expand KDOT's bonding authority to allow the Secretary to issue bonds to a limit of 18 percent debt service payments out of projected State Highway Fund revenues for any year; the bill specifies how those revenues would be calculated. Current law sets a dollar amount limit on bonds.

The bill would state legislative intent that the proceeds of any additional bonding capacity be divided equally among the six transportation districts and direct KDOT to give special emphasis to projects on major corridors within each district.

- It would allow municipalities to use loans from the Transportation Revolving Fund for projects and allow certain moneys from special districts, such as community improvement districts and transportation development districts, to be used to repay loans from the Transportation Revolving Fund.
- The bill would allow the Secretary to recommend construction of a new toll or turnpike project or the designation of an existing highway or portion thereof as a toll or turnpike project if a feasibility study provides a favorable result.

The bill would become effective upon publication in the *Kansas Register*.

Background

SB 302, as introduced, would have created an Intermodal Transportation Revolving Fund within the state treasury, to be administered by the Department of Transportation to provide assistance to government units for intermodal transportation projects. In 2009, the contents of the original SB 302 were enacted in HB 2131.

This bill includes sections, with a few amendments, also in HB 2617 and HB 2718. It does not include sections from those bills that would increase revenues.

No hearing was held on the bill.

KDOT reported that, under the bill's bonding cap provisions, it would expect to issue \$300 million in bonds in fiscal year 2011, none in FY 2012, and \$100 million in each of fiscal year 2013 through 2019, for a total of \$1 billion in issuances.