

## **Rail Service Improvement Fund; HB 2335**

**HB 2335** authorizes the Rail Service Improvement Fund to be used for qualified track maintenance and increases transfers from the State Highway Fund to the Rail Service Improvement Fund from \$5.0 million to \$10.0 million annually, starting July 1, 2023. Continuing law authorizes use of these funds for financing, acquisition, or rehabilitation of railroad and rolling stock.

The bill amends the definition of “qualified entity” to require a railroad to be a class II or class III railroad, as defined in federal law (and commonly known as short line railroads), and add any owner or lessee industry track, as defined in federal law, located on or adjacent to a class II or class III railroad in Kansas. The bill defines “qualified track maintenance” to mean maintenance, reconstruction, or replacement of railroad track owned or leased in Kansas by a qualified entity as of July 1, 2023; “railroad track” includes roadbed, bridges, industrial leads and side track, and related track structures.