

February 10, 2026

The Honorable Shannon Francis, Chairperson
House Committee on Transportation
300 SW 10th Avenue, Room 582-N
Topeka, Kansas 66612

Dear Representative Francis:

SUBJECT: Fiscal Note for HB 2647 by House Committee on Transportation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2647 is respectfully submitted to your committee.

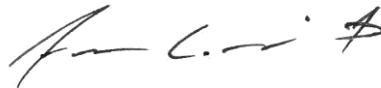
HB 2647 would authorize the Kansas Department of Transportation (KDOT) to establish a statewide fiber optic system. KDOT could enter into agreements to install equipment and would be required to establish a schedule of fees to charge entities that install equipment in the system or use the system. The bill would require fees to be set at an amount that is sufficient to recover actual costs incurred by the Department of Administration for the administration, construction, rehabilitation, and maintenance of the system. The bill would establish the Kansas Broadband Revolving Fund in KDOT. Revenues to the Fund would include fees paid to KDOT, bond proceeds, average daily balance interest, and State Highway Fund transfers as authorized by the Secretary of Transportation. The bill outlines expenditures that could be made from the Fund, including expenditures to construct the system, pay debt service on bonds, and administrative costs. The bill would authorize KDOT to issue revenue bonds for associated expenditures. The bill would require KDOT to issue a report to the Legislature each year with certain information about the fiber optic system. The bill would also require KDOT to post the report on its website.

KDOT indicates enactment of the bill would increase expenditures related to planning, administering, constructing, reconstructing, rehabilitating and maintaining the system. However, a precise fiscal effect cannot be estimated because the number of projects that would be initiated under the bill is unknown at this time. The bill would allow fees to be charged to recover the incremental costs incurred by KDOT which would result in additional revenue to the agency. However, the amount of additional revenue is unknown. KDOT estimates that the revenues

generated from fees that would be collected under the provisions of the bill would be sufficient to offset any costs incurred by KDOT.

The Department of Administration indicates enactment of the bill would not have a fiscal effect on the agency. Any fiscal effect associated with HB 2647 is not reflected in *The FY 2027 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", with a stylized flourish at the end.

Adam C. Proffitt
Director of the Budget

cc: Brendan Yorkey, Department of Transportation
Samir Arif, Department of Administration