

{As Amended by Senate Committee of the Whole}

As Amended by Senate Committee

As Amended by House Committee

Session of 2026

HOUSE BILL No. 2647

By Committee on Transportation

Requested by Joel Skelley on behalf of the Kansas Department of Transportation

2-3

1 AN ACT concerning communications services; relating to the Kansas
2 department of transportation; authorizing the Kansas department of
3 transportation to establish a statewide ~~fiber optic~~ **conduit** system **for**
4 **fiber optic transmissions of broadband connections**; establishing the
5 Kansas broadband revolving fund for the receipt and disbursement of
6 moneys related to such system; ~~authorizing the issuance of revenue~~
7 ~~bonds by the Kansas development finance authority~~; requiring the
8 secretary of transportation to prepare and submit a report to the
9 legislature regarding such system.

10
11 *Be it enacted by the Legislature of the State of Kansas:*

12 Section 1. As used in this act:

13 (a) "Department" means the Kansas department of transportation.

14 (b) "Equipment" means optical fibers and ancillary equipment used to
15 support fiber optic transmission systems, including, but not limited to,
16 transmitters, receivers, connectors, vaults and ducts.

17 (c) "Revenues" means any receipts, fees, revenues or other payments
18 received or to be received by the department under this act.

19 (d) "Secretary" means the secretary of the Kansas department of
20 transportation.

21 (e) "System" means a physical infrastructure of conduit and
22 microduct used to house optical fibers that enable the transmission of
23 broadband connections.

24 Sec. 2. (a) The secretary is hereby authorized and empowered to plan,
25 administer, construct, reconstruct, rehabilitate and maintain a system in
26 accordance with this act. The secretary may:

27 (1) Enter into agreements with governmental and nongovernmental
28 entities to install equipment in the system or use the system to the extent
29 that the system is not needed by the department; and

30 (2) require entities that install equipment in the system or use the
31 system to obtain a highway right-of-way use permit.

1 (b) The secretary shall:

2 (1) Establish a schedule of fees to be charged to entities that install
3 equipment in the system or use the system. Such fees shall be set at an
4 amount that is sufficient to recover the actual incremental cost incurred by
5 the department for the administration, construction, reconstruction,
6 rehabilitation and maintenance of the system;

7 (2) adopt a policy to prioritize the available space within the system;
8 and

9 (3) establish standard terms and conditions that shall be included in
10 any agreement that authorizes an entity to install equipment in the system
11 or use the system.

12 **(c) Nothing in this act shall require any entity to use the**
13 **department's system. The department shall not require any entity to**
14 **use the department's system in lieu of obtaining a highway use permit**
15 **and installing such entity's own system within the state highway right-**
16 **of-way. Only entities using the department's system shall be required**
17 **to pay fees or costs associated with the department's system.**

18 *{(d) It is the intent of the legislature that the department shall not*
19 *compete with the private sector in the provision of broadband*
20 *infrastructure or services.}*

21 Sec. 3. (a) There is hereby established in the state treasury the Kansas
22 broadband revolving fund. Such fund shall be administered by the
23 secretary. All expenditures from the Kansas broadband revolving fund
24 shall be made in accordance with appropriation acts upon warrants of the
25 director of accounts and reports issued pursuant to vouchers approved by
26 the secretary or secretary's designee. All moneys received by the secretary
27 pursuant to this act shall be remitted to the state treasurer in accordance
28 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
29 receipt of each such remittance, the state treasurer shall deposit the entire
30 amount to the credit of the Kansas broadband revolving fund.

31 (b) The Kansas broadband revolving fund shall consist of:

32 (1) Any fees paid to the secretary pursuant to section 2, and
33 amendments thereto;

34 (2) amounts appropriated or otherwise made available by the
35 legislature for the purpose of the fund;

36 ~~(3) the proceeds, if any, from the sale of bonds issued pursuant to this~~
37 ~~act for the purposes of the fund to the extent provided in any agreement~~
38 ~~entered between the secretary and the Kansas development finance~~
39 ~~authority;~~

40 ~~(4)~~ interest earned on moneys in the fund pursuant to subsection (d);

41 ~~(5)~~~~(4)~~ amounts contributed or otherwise made available by any public
42 or private entity, including the federal government, for use in effectuating
43 the purposes of the fund; and

1 ~~(6)~~(5) amounts transferred from the state highway fund by order of
2 the secretary.

3 (c) The secretary or the secretary's designee may make expenditures
4 from the Kansas broadband revolving fund to:

5 (1) Plan, administer, construct, reconstruct, rehabilitate and maintain
6 the system;

7 ~~(2)—pay the principal and interest of bonds issued pursuant to this act,~~
8 ~~including sinking fund payments or payments to provide additional~~
9 ~~security, insurance or other form of credit enhancement to secure such~~
10 ~~bonds;~~

11 (3) pay for the administrative costs to carry out the provisions of this
12 act; and

13 ~~(4)~~(3) transfer moneys from the Kansas broadband revolving fund to
14 the state highway fund.

15 (d) On or before the 10th day of each month commencing on July 1,
16 2026, the director of accounts and reports shall transfer from the state
17 general fund to the Kansas broadband revolving fund interest earnings
18 based on:

19 (1) The average daily balance of moneys in the Kansas broadband
20 revolving fund for the preceding month; and

21 (2) the net earnings rate of the pooled money investment portfolio for
22 the preceding month.

23 (e) To carry out the provisions of this act, the secretary is hereby
24 authorized to order the director of accounts and reports to transfer moneys
25 from the state highway fund to the Kansas broadband revolving fund or
26 from the Kansas broadband revolving fund to the state highway fund.

27 ~~Sec. 4.—(a) For the purpose of financing the planning, administration,~~
28 ~~construction, reconstruction, rehabilitation and maintenance of the system~~
29 ~~in accordance with this act, the secretary may enter into agreements with~~
30 ~~the Kansas development finance authority to issue revenue bonds.~~

31 ~~(b) The activities of the secretary in administering and performing the~~
32 ~~powers, duties and functions prescribed by the provisions of this act and in~~
33 ~~acquiring financing for the planning, administration, construction,~~
34 ~~reconstruction, rehabilitation and maintenance of the system are hereby~~
35 ~~approved for the purposes of K.S.A. 74-8905(b), and amendments thereto.~~
36 ~~The Kansas development finance authority is authorized to issue one or~~
37 ~~more series of revenue bonds in accordance with K.S.A. 74-8901 et seq.,~~
38 ~~and amendments thereto. For purposes of this section, the provisions of~~
39 ~~K.S.A. 74-8905(a), and amendments thereto, shall not prohibit the~~
40 ~~issuance of bonds for such purposes when so authorized, and any such~~
41 ~~issuance of bonds shall be exempt from the provisions of K.S.A. 74-~~
42 ~~8905(a), and amendments thereto.~~

43 ~~Sec.—5.~~ 4. (a) Prior to the 10th day of the regular session of the

1 legislature each year, the secretary shall submit a written report to the
2 governor, and the senate committee on utilities~~and, the senate committee~~
3 **on transportation**, the house of representatives committee on energy,
4 utilities and telecommunications, **the house of representatives committee**
5 **on transportation and the house of representatives committee on**
6 **transportation and public safety budget**, that provides:

7 (1) The amount of the system constructed, reconstructed or
8 rehabilitated during the preceding fiscal year;

9 (2) the costs associated with the planning, administration,
10 construction, reconstruction, rehabilitation and maintenance of the system
11 during the preceding fiscal year, which shall be set out for each individual
12 category of cost;

13 (3) the payments made by governmental and nongovernmental
14 entities that have entered into agreements with the secretary to install
15 equipment in the system or use the system;

16 (4) a listing of the governmental and nongovernmental entities that
17 have entered into agreements with the secretary to install equipment in the
18 system or use the system;

19 (5) a listing of the governmental and nongovernmental entities that
20 have terminated agreements with the secretary to install equipment in the
21 system or use the system;

22 (6) a listing of all governmental and nongovernmental entities that
23 have applied to install equipment in the system or use the system but have
24 not been allowed to install equipment in the system or use the system and
25 why such entities were denied;

26 (7) a listing of projects that are anticipated to be performed in the
27 subsequent five years and the anticipated timeline for the projects;

28 (8) information concerning the condition and performance of the
29 system; and

30 (9) an explanation of any material changes from the previous annual
31 report.

32 (b) The secretary shall post such report on the official internet page of
33 the department and provide notice of the online posting to all persons or
34 entities requesting such notice. The secretary shall establish a virtual
35 method for a person or entity to request such notice.

36 ~~Sec. 6.~~ **5.** This act shall take effect and be in force from and after its
37 publication in the ~~statute book~~ **Kansas register**.