

## HOUSE BILL No. 2234

AN ACT concerning transportation; relating to the Kansas turnpike authority; director of operations; relating to contracts between the authority and the Kansas department of transportation; concerning purchase of certain real estate; use of toll revenue; amending K.S.A. 68-2003, 68-2009 and 68-2021 and repealing the existing sections; also repealing K.S.A. 68-2030, 68-2031, 68-2032, 68-2033, 68-2034, 68-2035, 68-2036, 68-2037, 68-2038, 68-2039, 68-2040, 68-2041, 68-2042, 68-2043, 68-2044, 68-2045, 68-2046, 68-2047, 68-2048, 68-2048a, 68-2048b, 68-2048c, 68-2051, 68-2052, 68-2053, 68-2054, 68-2055, 68-2056, 68-2057, 68-2058, 68-2059, 68-2060, 68-2061, 68-2062, 68-2063, 68-2064, 68-2065, 68-2066, 68-2067, 68-2068, 68-2069, 68-2070, 68-2071, 68-2072, 68-2073, 68-2074, 68-2075, 68-2076, 68-2077, 68-2078, 68-2079, 68-2080, 68-2081, 68-2082, 68-2083, 68-2084, 68-2085, 68-2086, 68-2087, 68-2088, 68-2089, 68-2090, 68-2091, 68-2092, 68-2093, 68-2094, 68-2095, 68-2096, 68-2097, 68-2098, 68-2099, 68-20,100, 68-20,101, 68-20,102, 68-20,103, 68-20,104, 68-20,105, 68-20,106, 68-20,107, 68-20,108, 68-20,109, 68-20,110, 68-20,111, 68-20,112, 68-20,113, 68-20,114, 68-20,115, 68-20,116, 68-20,117, 68-20,118, 68-20,119 and 75-5028.

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

Section 1. K.S.A. 68-2003 is hereby amended to read as follows: 68-2003. (a) There is hereby created a body politic and corporate to be known as the Kansas turnpike authority. The authority is hereby constituted a public instrumentality and the exercise by the authority of the powers conferred by this act in the construction, operation and maintenance of turnpike projects shall be deemed and held to be the performance of an essential governmental function.

(b) The Kansas turnpike authority shall consist of five members. Two members shall be appointed by the governor for terms of four years. The members appointed by the governor shall be residents of the state and shall each year be owners of revenue bonds issued by the Kansas turnpike authority. One member of the authority shall be the secretary of transportation. One member shall be the chairperson of the committee on transportation and tourism of the senate, and one member shall be a member of the committee on transportation of the house of representatives and shall be appointed by the speaker of the house of representatives. Any person appointed by the governor to fill a vacancy on the authority shall be appointed to serve only for the unexpired term, and a member of the authority shall be eligible for reappointment. A member of the authority may be removed by the governor for misfeasance, malfeasance or willful neglect of duty, but only after reasonable notice and a public hearing conducted in accordance with the provisions of the Kansas administrative procedure act. Each member of the authority, before entering upon the member's duties, shall take and subscribe an oath or affirmation as required by law.

(c) The authority shall elect one member as chairperson of the authority and another as vice-chairperson. The authority shall also elect a secretary-treasurer who need not be a member of the authority. The chairperson, vice-chairperson and secretary-treasurer shall serve as officers at the pleasure of the authority. Three members of the authority shall constitute a quorum and the affirmative vote of three members shall be necessary for any action taken by the authority. No vacancy in the membership of the authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the authority.

(d) Members of the Kansas turnpike authority attending meetings of such authority, or attending a subcommittee meeting thereof authorized by such authority, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto.

(e) *On and after July 1, 2013, the secretary of transportation shall serve as the director of operations of the authority. The director of operations shall be responsible for the daily administration of the toll roads, bridges, structures and facilities constructed, maintained or operated pursuant to this act. The director of operations or the director's designee shall have such powers as are necessary to carry out these responsibilities. The provisions of this subsection shall expire and have no effect on and after July 1, 2016.*

Sec. 2. K.S.A. 68-2009 is hereby amended to read as follows: 68-2009. (a) The authority is hereby authorized to fix, revise, charge and collect tolls for the use of each turnpike project and the different parts or sections thereof, and to contract with any person, partnership, association or corporation desiring the use of any part thereof, including the right-of-way adjoining the paved portion, for placing thereon telephone, telegraph, electric light or power lines, motor fuel filling stations, garages, and res-

taurants, or for any other purpose except for tracks for railroad or railway use, and to fix the terms, conditions, rents and rates of charges for such use. All contracts made by the authority for retail establishments or locations for retail establishments shall be made separately for each retail establishment or location for a retail establishment and sealed bids shall be asked separately on each retail establishment or each location for a retail establishment by public offering duly advertised as provided by law for the advertising for bids on state highway construction projects and each such contract shall be let by the authority in like manner as provided by law for the letting of highway construction contracts by the secretary of transportation. Such tolls shall be so fixed and adjusted in respect of the aggregate of tolls from the turnpike project or projects in connection with which the bonds of any issue shall have been issued as to provide a fund sufficient with other revenues, if any, to pay—~~(a)~~: (1) The cost of maintaining, repairing and operating such turnpike project or projects; and ~~(b)~~(2) the principal of and the interest on such bonds as the same shall become due and payable, and to create reserves for such purposes.

(b) Such tolls shall not be subject to supervision or regulation by any other commission, board, bureau or agency of the state. The tolls and all other revenues derived from the turnpike project or projects in connection with which the bonds of any issue shall have been issued, except such part thereof as may be necessary to pay such cost of maintenance, repair and operation and to provide such reserves therefor as may be provided for in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or such trust agreement in a sinking fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made; the tolls or other revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the authority. The use and disposition of moneys to the credit of such sinking fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in such resolution or such trust agreement, such sinking fund shall be a fund for all such bonds without distinction or priority of one over another.

(c) *The authority shall not use toll or other revenue for any other purposes than those set forth in this section.*

Sec. 3. K.S.A. 68-2021 is hereby amended to read as follows: 68-2021. *On and after July 1, 2016, the secretary of transportation and the Kansas turnpike authority are hereby authorized and empowered to contract with each other, by the terms of which contract or contracts the secretary may undertake; (1) to provide personnel and equipment, either of the department of transportation or consulting or contracting firms, required in making any traffic and cost studies or surveys or origin-destination studies necessary preliminary to financing by the Kansas turnpike authority of any particular toll project undertaken as authorized by law, and to do such work; and*

(2) to provide personnel and equipment required, and to do any engineering, geological work, soils testing or materials testing which may be required by the Kansas turnpike authority either preliminary to the financing of any particular toll project authorized by law or which may be required after such financing and during the construction of such project: ~~Provided, That~~ *The charges for services contemplated by such project shall be made by the secretary of transportation on the basis of the total and actual cost to the department of all wages, salaries, expenses, equipment rental, damage to equipment, depreciation or other charges and expenses chargeable to the services to be rendered to the Kansas turnpike authority. ~~Provided further,~~ except that the total amount of any credit and*

funds advanced hereunder shall not at any one time exceed the sum of ~~two hundred fifty thousand dollars (\$250,000)~~ \$250,000.

New Sec. 4. (a) The secretary of transportation and the Kansas turnpike authority are hereby authorized and empowered to contract with each other to provide personnel and equipment and other resources, either of the department of transportation, the Kansas turnpike authority or consulting or contracting firms for: (1) Recordkeeping, reporting, administrative, planning, engineering, legal and clerical functions; and

(2) construction, operation and maintenance of turnpike projects and highways of the state.

(b) The Kansas turnpike authority shall retain its separate identity, powers and duties as an instrumentality of the state. Duplication of effort, facilities and equipment shall be minimized by the authority and the secretary of transportation in operation and maintenance of turnpikes and highways of the state. The authority and the secretary are authorized to take such action as necessary to implement this section, including the temporary transfer of personnel, property and equipment from the authority to the secretary, and the secretary to the authority, to effect contracts described in subsection (a). The integrity of the bonded indebtedness shall be maintained through the actions of the authority.

(c) The provisions of this section shall expire and have no effect on and after July 1, 2016.

Sec. 5. K.S.A. 68-2003, 68-2009, 68-2021, 68-2030, 68-2031, 68-2032, 68-2033, 68-2034, 68-2035, 68-2036, 68-2037, 68-2038, 68-2039, 68-2040, 68-2041, 68-2042, 68-2043, 68-2044, 68-2045, 68-2046, 68-2047, 68-2048, 68-2048a, 68-2048b, 68-2048c, 68-2051, 68-2052, 68-2053, 68-2054, 68-2055, 68-2056, 68-2057, 68-2058, 68-2059, 68-2060, 68-2061, 68-2062, 68-2063, 68-2064, 68-2065, 68-2066, 68-2067, 68-2068, 68-2069, 68-2070, 68-2071, 68-2072, 68-2073, 68-2074, 68-2075, 68-2076, 68-2077, 68-2078, 68-2079, 68-2080, 68-2081, 68-2082, 68-2083, 68-2084, 68-2085, 68-2086, 68-2087, 68-2088, 68-2089, 68-2090, 68-2091, 68-2092, 68-2093, 68-2094, 68-2095, 68-2096, 68-2097, 68-2098, 68-2099, 68-20,100, 68-20,101, 68-20,102, 68-20,103, 68-20,104, 68-20,105, 68-20,106, 68-20,107, 68-20,108, 68-20,109, 68-20,110, 68-20,111, 68-20,112, 68-20,113, 68-20,114, 68-20,115, 68-20,116, 68-20,117, 68-20,118, 68-20,119 and 75-5028 are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and was adopted by that body

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HOUSE adopted  
Conference Committee Report \_\_\_\_\_

\_\_\_\_\_  
*Speaker of the House.*

\_\_\_\_\_  
*Chief Clerk of the House.*

Passed the SENATE  
as amended \_\_\_\_\_

SENATE adopted  
Conference Committee Report \_\_\_\_\_

\_\_\_\_\_  
*President of the Senate.*

\_\_\_\_\_  
*Secretary of the Senate.*

APPROVED \_\_\_\_\_

\_\_\_\_\_  
*Governor.*