

January 29, 2016

The Honorable Richard Proehl, Chairperson
House Committee on Transportation
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2450 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2450 is respectfully submitted to your committee.

HB 2450 would increase the maximum speed limit on any separated multilane highway from 75 to 80 miles per hour.

Estimated State Fiscal Effect				
	FY 2016 SGF	FY 2016 All Funds	FY 2017 SGF	FY 2017 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$20,159
FTE Pos.	--	--	--	--

The Department of Transportation (KDOT) indicates the cost for changing existing speed limit signs would be \$19,671. KDOT estimates that there are approximately 249 signs that would require modification. The Department also estimates that it would take a total of 99.6 hours to modify all of the signs (249 signs/2.5 signs per hour). The total cost would include \$6,225 for materials (\$25 per sign x 249 signs), \$4,980 for labor (\$50 per hour x 99.6 hours), \$5,976 for vehicle usage and \$2,490 for miscellaneous expenses. The Department states that the fiscal effect could be handled within current staffing and operating expenditures.

KDOT notes that HB 2450 could increase highway project costs over the long-term. Raising the speed limit would increase highway construction and reconstruction costs because higher highway speeds require higher design criteria. The nature of those costs would depend

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upon individual project features and geographical location. The agency is unable to estimate what those higher costs would be.

According to the Department of Revenue, the bill would add administrative costs of \$488 which includes \$248 to update the licensing system and \$240 to modify speeding ticket validation programs. The administrative costs can be absorbed within current Department of Revenue resources. Any fiscal effect associated with HB 2450 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Kim Torrey, Highway Patrol
Ben Cleeves, Transportation