

February 27, 2019

The Honorable Troy Waymaster, Chairperson  
House Committee on Appropriations  
Statehouse, Room 111-N  
Topeka, Kansas 66612

Dear Representative Waymaster:

**SUBJECT:** Fiscal Note for HB 2373 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2373 is respectfully submitted to your committee.

HB 2373 would authorize and direct the Secretary of Transportation to initiate a Transportation Planning Program (TPP) to plan, develop and operate or coordinate the development and operation of the various modes and systems of transportation in the state. The TPP would provide for the construction, improvement, reconstruction and maintenance of the state highway system. The TPP would provide for the selection of projects, allowing for flexibility to meet emerging and economic needs. TPP expenditures may include, but not be limited to, preservation projects; expansion and economic opportunity projects; or modernization projects.

The TPP would provide assistance to cities and counties to meet their responsibilities for the construction, improvement, reconstruction and maintenance of roads and bridges not on the state highway system. Expenditures for city and county assistance may include, but not be limited to, apportionment of the Special City and County Highway Fund; programs to share federal aid with cities and counties; programs similar to the Department of Transportation's (KDOT) Local Bridge Improvement Program; programs to assist with railroad crossings; programs to assist with maintenance of city connecting links; or programs that allow local governments to exchange federal aid funds for state funds.

The TPP would provide for a railroad program, aviation program and public transit program. The TPP would provide programs that increase KDOT's participation in other modes of transportation, including bicycle and pedestrian transportation.

The TPP would provide for a multimodal economic development program; provide for programs that study the feasibility and implementation of emerging technologies including, but not limited to, autonomous vehicles, connected vehicles, in-vehicle technology, traffic management systems or broadband infrastructure across the state highway system. KDOT would work with transportation industry representatives to develop a proposal for alternative project delivery methods. The proposal would be required to be presented to the Legislature on or before January 31, 2020.

Using KDOT selection methods and criteria, the Secretary of Transportation would determine the projects to be selected under the TPP. Consideration would be required to be given to additional criteria that may include projects that remove transportation infrastructure from the state highway system; identify priority corridors; or include local participation.

The bill would prohibit modernization and expansion projects authorized under the TPP to begin construction until all delayed Transportation Works for Kansas (T-WORKS) projects have been let, unless federal funds become available.

From July 1, 2020, through June 30, 2030, KDOT would be required to spend at least \$8.0 million for projects or programs in each county.

KDOT notes that HB 2373 does not contain any new revenue sources. KDOT further notes that any amounts needed for preservation, expansion and modernization projects and for local governments would depend on the amount of revenues available in the State Highway Fund for TPP and the stability of those revenues. KDOT indicates implementation of the bill would require additional administrative expenditures, but the agency is unable to determine the precise amount of those expenditures. However, the Department estimates it is likely that the expenditures could be absorbed within existing resources assuming future net revenues to the State Highway Fund are equal to or higher than net revenues contained in *The FY 2020 Governor's Budget Report*. The provision in the bill requiring at least \$8.0 million be spent in each county for projects or programs would require expenditures of \$840.0 million from FY 2021 to FY 2030. Any fiscal effect associated with HB 2373 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Campbell", written in a cursive style.

Larry L. Campbell  
Director of the Budget

cc: Ben Cleaves, Transportation