

Tolled Highway Projects; Senate Sub. for HB 2007

Senate Sub. for HB 2007 amends requirements for tolled projects of the Kansas Turnpike Authority (KTA) and the Secretary of Transportation (Secretary).

KTA Requirements

The bill removes from definition of “project” that such project be constructed by the KTA.

The bill authorizes the KTA to issue revenue bonds payable solely or partly from revenues to finance turnpike projects. The bill requires the KTA, before undertaking a toll road project, to find construction of a toll expressway can be financed solely or partly through the investment of private funds in toll road revenue bonds and that such project and any indebtedness incurred for it can be financed solely or partly through tolls and other project-related income, rather than such project and indebtedness be entirely self-liquidating.

The KTA is authorized to issue turnpike revenue bonds payable solely or partly from the tolls and revenues pledged for bond repayment. Bonds and expenses will be payable solely or partly from funds provided under the authority of statutes governing the KTA. [*Note: Under continuing law, such bonds and expenses are not obligations of the State.*]

The bill amends the authority of the KTA to fix and collect tolls over each turnpike project to remove the requirement that such project be constructed by the KTA.

Secretary of Transportation Requirements

The bill authorizes the Secretary to study the feasibility of constructing new toll or turnpike projects and removes authority to designate existing highways or any portion of such highways as a toll or turnpike project. The bill requires a study by the Secretary of a project for its feasibility as a toll or turnpike project to determine, after consulting with local officials, that traffic volume, local contribution, or other relevant reasons make such tolling project feasible. The bill requires at least one local public meeting to review the project during the feasibility study process. The bill requires any toll or turnpike project be constructed only to add capacity to existing highways or bridges or as a new facility where such did not exist.

The bill requires, prior to constructing a toll project or turnpike project, the Secretary and local units of government to prepare and present a joint proposal for construction of a toll or turnpike project to the KTA and the State Finance Council. The bill requires the Secretary and local units of government to receive resolutions approving the construction from the KTA and the State Finance Council. The bill defines “local unit or units of government” and “approving” for this purpose. The bill characterizes the approvals by the State Finance Council as matters of legislative delegation.

The bill requires tolls be charged only on users of the additional capacity of the highway or bridge constructed and on all users of any new project, regardless of class, size, or kind of traffic. The bill requires the Secretary to use toll revenue to pay for the cost of the project for

which the toll was collected and forbids the Secretary from using toll revenue for payment of costs not associated with the project for which the toll was collected.

The bill removes a requirement the Secretary recommend to the Legislature the construction of a new toll project or turnpike project or designation of an existing highway or portion thereof and authorizes the Secretary to construct such toll road after meeting the proposal and approval requirements described above. The bill states the Secretary must determine such new or added capacity is feasible.