

As Amended by House Committee

Session of 2021

HOUSE BILL No. 2201

By Committee on Transportation

2-2

1 AN ACT concerning transportation; relating to the Eisenhower legacy
2 transportation program; decreasing the threshold amount required for
3 alternate delivery projects; providing for the usage of federal stimulus
4 funds for certain projects; ~~calculating KDOT bonding and debt cap-~~
5 ~~authority~~; amending K.S.A. ~~68-2320~~ and 68-2328 and K.S.A. 2020
6 Supp. 68-2314c, 68-2332 and 75-5094 and repealing the existing
7 sections.

8
9 *Be it enacted by the Legislature of the State of Kansas:*

10 Section 1. K.S.A. 2020 Supp. 68-2314c is hereby amended to read as
11 follows: 68-2314c. (a) In order to plan, develop and operate or coordinate
12 the development and operation of the various modes and systems of
13 transportation within the state, the secretary of transportation is hereby
14 authorized and directed to initiate the Eisenhower legacy transportation
15 program.

16 (b) (1) The Eisenhower legacy transportation program shall provide
17 for the construction, improvement, reconstruction and maintenance of the
18 state highway system. The program shall provide for the selection of
19 projects that will allow for the flexibility to meet emerging and economic
20 needs. Program expenditures may include, but may not be limited to, the
21 following:

22 (A) Preservation projects to efficiently maintain a state highway
23 system in its original or improved condition and in a state of good repair.
24 The secretary shall establish targets for the state highway system condition
25 that reflect the reasonable, realistic expectations that have historically
26 existed in providing a safe and efficient state highway system. The
27 secretary shall utilize reasonable, sound and accepted methods to
28 determine the annual preservation investment needed to achieve the state
29 targets and provide optimum cost effectiveness in keeping the long-term
30 state highway system condition meeting such targets. It is the intent of the
31 legislature that the secretary, prior to completion of the transportation
32 program, shall spend or encumber from the state highway fund
33 preservation projects in an amount equal to or exceeding 10 times the
34 determined average annual preservation investment. The secretary shall
35 manage cash-flow and project lettings such that there is reasonable
36 assurance that preservation projects shall be fully funded each year.

1 Pursuant to this subparagraph, preservation projects refer to maintenance,
2 repairs or replacement of existing infrastructure. Federal funding from
3 federal grants or federal stimulus may be used for preservation projects;

4 (B) preservation plus projects to efficiently maintain a state highway
5 system and include additional safety or technology elements, or both, in
6 the preservation project. Such additional elements may include, but may
7 not be limited to, adding paved shoulders, adding passing lanes, adding
8 traffic signals, adding intelligent transportation system elements or laying
9 broadband fiber or the conduit for broadband fiber. It is the intent of the
10 legislature that the secretary has the authority to enhance preservation plus
11 projects with the addition of safety or technology improvements, or both.
12 Federal funding from federal grants or federal stimulus may be used for
13 preservation plus projects;

14 (C) expansion and economic opportunity projects, that include
15 additions to the transportation system, or that improve access, relieve
16 congestion and enhance economic development opportunities. The Kansas
17 department of transportation shall develop and utilize criteria for the
18 selection of expansion and economic opportunity projects. The selection
19 criteria shall include, but shall not be limited to, engineering and traffic
20 data, local consultation, geographic distribution and an economic impact
21 analysis evaluation; and

22 (D) modernization projects that include improvements to the
23 transportation system by widening lanes or shoulders, making geometric
24 improvements, upgrading interchanges or building rail grade separations to
25 improve the safety, condition or service of the highway system. The
26 Kansas department of transportation shall develop and utilize criteria for
27 the selection of modernization projects. The selection criteria shall include,
28 but shall not be limited to, engineering data, local consultation and
29 geographic distribution.

30 (2) The department of transportation shall develop criteria for the
31 incorporation of practical improvements into designs of the projects
32 specified in this subsection.

33 (c) Except as further provided, the Eisenhower legacy transportation
34 program shall provide for the completion of modernization and expansion
35 projects selected for construction under the transportation works for
36 Kansas program pursuant to K.S.A. 68-2314b, and amendments thereto.
37 Such projects shall be let prior to July 1, 2023. The secretary shall let to
38 construction contract at least one phase of each remaining transportation
39 works for Kansas program project before any new modernization or
40 expansion project, or both, under the Eisenhower legacy transportation
41 program are let to construction. A transportation works for Kansas
42 program selected project in Harvey county generally described as an
43 approximate one-mile reconstruction of the I-135 and 36th street

1 interchange may not be constructed. If such project is not constructed, the
2 estimated construction costs for such project shall be used on other
3 construction projects in the Kansas department of transportation's south-
4 central district. *Notwithstanding the provisions of this subsection, the*
5 *secretary may let to construction at any time any modernization or*
6 *expansion projects under the Eisenhower legacy transportation program*
7 *that utilize federal stimulus funds regardless of whether transportation*
8 *works for Kansas program projects, or any phase thereof, have been let.*

9 (d) The Eisenhower legacy transportation program shall provide for
10 assistance, including credit and credit enhancements, to cities and counties
11 in meeting their responsibilities for the construction, improvement,
12 reconstruction and maintenance of transportation improvements. Such
13 programs may use criteria developed by the Kansas department of
14 transportation for the incorporation of practical improvements into designs
15 of projects. Expenditures under this subsection may include, but may not
16 be limited to, the following:

17 (1) Apportionment of the special city and county highway fund to
18 assist cities and counties with their responsibilities for roads and bridges
19 not on the state highway system;

20 (2) programs to share federal aid with cities and counties to assist
21 with their responsibilities for roads and bridges not on the state highway
22 system;

23 (3) programs to assist cities with the maintenance of city connecting
24 links as specified in K.S.A. 68-416, and amendments thereto, and local
25 partnership programs to resurface or geometrically improve city
26 connecting links or to promote economic development;

27 (4) programs similar to the Kansas department of transportation's
28 local bridge improvement program to aid local public authorities in
29 replacing or repairing bridges not on the state highway system;

30 (5) programs to assist cities and counties with railroad crossings of
31 roads not on the state highway system; or

32 (6) programs that allow local governments to exchange federal aid
33 funds for state funds.

34 (e) The Eisenhower legacy transportation program shall provide for a
35 railroad program to provide assistance in accordance with K.S.A. 75-5040
36 through 75-5050, and amendments thereto, for the preservation and
37 revitalization of rail service in the state.

38 (f) The Eisenhower legacy transportation program shall provide for
39 an aviation program to provide assistance for the planning, constructing,
40 reconstructing or rehabilitating the facilities of public use general aviation
41 airports, in accordance with K.S.A. 75-5061, and amendments thereto.

42 (g) The Eisenhower legacy transportation program shall provide for
43 public transit programs to aid elderly persons, persons with disabilities and

1 the general public, in accordance with K.S.A. 75-5032 through 75-5038
2 and 75-5051 through 75-5058, and amendments thereto.

3 (h) The Eisenhower legacy transportation program shall provide for a
4 transportation technology program to provide for multimodal
5 transportation-related projects that support innovative technology, in
6 accordance with K.S.A. 2020 Supp. 75-5093, and amendments thereto.

7 (i) The Eisenhower legacy transportation program shall provide for a
8 multimodal program to provide transportation improvement assistance for
9 bike facilities, pedestrian facilities or other transportation-sensitive
10 economic opportunities on a local or a regional basis.

11 (j) The Eisenhower legacy transportation program shall allow the
12 secretary to award certain state highway system projects using alternative
13 delivery procurement methods, other than an award of a design-bid-build,
14 as provided for in K.S.A. 2020 Supp. 68-2332, and amendments thereto.

15 (k) The Eisenhower legacy transportation program shall provide for a
16 broadband infrastructure construction program, in accordance with K.S.A.
17 2020 Supp. 75-5094, and amendments thereto.

18 (l) (1) State highway fund revenues that include, but are not limited to,
19 motor fuel taxes, vehicle registrations, sales and compensating use
20 taxes and eligible federal aid shall be used in the following order of
21 priority:

22 (A) To pay bond covenant obligations;

23 (B) to pay for agency operations;

24 (C) to make city connecting link payments authorized under K.S.A.
25 68-416, and amendments thereto; and

26 (D) to pay for needed preservation projects as set forth in subsection
27 (b)(1).

28 (2) Any such revenues not spent pursuant to subsection (l)(1)(A)
29 through (D) may be used for other purposes and authority given to the
30 secretary.

31 (3) All new bonds issued for the purposes of the Eisenhower legacy
32 transportation program shall be paid using all state highway fund revenue,
33 including revenue collected or received pursuant to K.S.A. 79-3620(c) and
34 79-3710(c), and amendments thereto.

35 (m) (1) The secretary shall, using the Kansas department of
36 transportation selection methods and criteria, determine the projects to be
37 selected for inclusion under the Eisenhower legacy transportation program.
38 Consideration may be given to additional criteria that may include projects
39 that:

40 (A) Remove transportation infrastructure from the state highway
41 system;

42 (B) identify priority corridors;

43 (C) include local monetary participation; or

1 (D) reduce project size.

2 (2) (A) It is the intent of the legislature that the secretary shall
3 develop a metric-driven process that determines a reasonable and fair
4 minimum amount of state highway fund moneys to be spent on new
5 modernization and expansion projects in each of the Kansas department of
6 transportation's districts over the duration of the Eisenhower legacy
7 transportation program.

8 (B) The process for determining the minimum amount of
9 modernization and expansion project moneys shall be subject to the
10 following:

11 (i) Adding together the minimum moneys set for each of the Kansas
12 department of transportation's districts pursuant to paragraph (2)(A), the
13 total shall be at least 50% of the estimated cost of constructing all
14 modernization and expansion projects let to contract in the Eisenhower
15 legacy transportation program.

16 (ii) If the estimated cost of constructing all modernization and
17 expansion projects in the Eisenhower legacy transportation program
18 increases or decreases by more than 10%, then the minimum amount will
19 be adjusted accordingly while still satisfying ~~subparagraph~~ *paragraph* (2)
20 (B)(i).

21 (iii) For each of the Kansas department of transportation's districts, at
22 least 40% of the minimum amounts determined in paragraph (2)(A), or
23 adjusted amounts according to paragraph (2)(B)(ii), shall be let to
24 construction contract by the end of year five of the Eisenhower legacy
25 transportation program, and 100% of the minimum amounts determined in
26 paragraph (2)(A), or adjusted amounts according to paragraph (2)(B)(ii),
27 shall be let to construction contract by year 10 of the Eisenhower legacy
28 transportation program.

29 (iv) Any modernization or expansion projects remaining from the
30 transportation works for Kansas program pursuant to K.S.A. 68-2314b,
31 and amendments thereto, shall not be considered when determining the
32 minimum amounts in paragraph (2)(A) or (2)(B)(i).

33 (3) The secretary shall select projects for development every two
34 years. The secretary shall select projects for construction every two years.
35 The secretary is not required to construct every project selected for
36 development. The selection of projects for development and construction
37 shall take place every two years, after consultation with local jurisdictions.

38 (n) It is the intent of the legislature that the secretary take the actions
39 necessary to have transportation improvement projects ready to let to
40 construction as cash-flow management allows.

41 (o) The secretary, prior to June 30, 2030, shall develop a long-range
42 transportation plan that examines, but is not limited to, transportation
43 policy, project selection criteria and selection methods used in the

1 Eisenhower legacy transportation program, transportation funding sources
2 and Eisenhower legacy transportation program project categories. The
3 long-range transportation plan shall make recommendations for a new
4 transportation program for the state of Kansas. The long-range
5 transportation plan shall be developed after consultation with the governor
6 of the state of Kansas and state and local elected officials.

7 ~~Sec. 2.—K.S.A. 68-2320 is hereby amended to read as follows: 68-~~
8 ~~2320. (a) On and after July 1, 1991, the secretary of transportation is~~
9 ~~hereby authorized and empowered to issue bonds of the state of Kansas,~~
10 ~~payable solely from revenues accruing to the state highway fund and~~
11 ~~transferred to the highway bond debt service fund and pledged to their~~
12 ~~payment, for the purpose of providing funds to pay costs relating to~~
13 ~~construction, reconstruction, maintenance or improvement of highways in~~
14 ~~this state and to pay all expenses incidental thereto and to the bonds. The~~
15 ~~secretary is hereby authorized to issue bonds the total principal amount of~~
16 ~~which shall not exceed \$890,000,000.~~

17 ~~(b) In addition to the provisions of subsection (a), on and after July 1,~~
18 ~~1999, the secretary of transportation is hereby authorized and empowered~~
19 ~~to issue bonds of the state of Kansas, payable solely from revenues~~
20 ~~accruing to the state highway fund and transferred to the highway bond~~
21 ~~debt service fund and pledged to their payment, for the purpose of~~
22 ~~providing funds to pay costs relating to construction, reconstruction,~~
23 ~~maintenance or improvement of highways in this state and to pay all~~
24 ~~expenses incidental thereto and to the bonds. The secretary is hereby~~
25 ~~authorized to issue bonds the total principal amount of which shall not~~
26 ~~exceed \$1,272,000,000.~~

27 ~~(c) (1) In addition to the provisions of subsections (a) and (b), on and~~
28 ~~after July 1, 2010, the secretary of transportation is hereby authorized and~~
29 ~~empowered to issue additional bonds of the state of Kansas, payable solely~~
30 ~~from revenues accruing to the state highway fund and transferred to the~~
31 ~~highway bond debt service fund and pledged to their payment, for the~~
32 ~~purpose of providing funds to pay costs relating to construction,~~
33 ~~reconstruction, maintenance or improvement of highways in this state and~~
34 ~~to pay all expenses incidental thereto and to the bonds. On and after the~~
35 ~~effective date of this act, except as provided further, no bonds shall be~~
36 ~~issued by the secretary pursuant to this subsection unless the secretary~~
37 ~~certifies that, as of the date of issuance of any such series of additional~~
38 ~~bonds, the maximum annual debt service on all outstanding bonds issued~~
39 ~~pursuant to this section and K.S.A. 68-2328, and amendments thereto,~~
40 ~~including the bonds to be issued on such date, will not exceed 18% of~~
41 ~~projected state highway fund revenues for the current or any future fiscal~~
42 ~~year. During the fiscal year ending June 30, 2018, and the fiscal year~~
43 ~~ending June 30, 2019, the limitation on the amount of the maximum total~~

1 amount of principal on all outstanding bonds issued pursuant to this
2 subsection and K.S.A. 68-2328, and amendments thereto, for the purpose
3 of issuing any such series of additional bonds authorized by the secretary
4 shall be \$1,700,000,000 of the total principal for the transportation works
5 for Kansas program authorized under K.S.A. 68-2314b et seq., and
6 amendments thereto. The provisions of this section relating to limitations
7 of bonded indebtedness shall not in any way impair the rights and
8 remedies of the holders of any bonds issued prior to the effective date of
9 this act.

10 (2) As used in this subsection:

11 (A) "Maximum annual debt service" means the maximum amount of
12 debt service requirements on all outstanding bonds for the current or any
13 future fiscal year;

14 (B) "debt service requirements" means, for each fiscal year, the
15 aggregate principal and interest payments required to be made during such
16 fiscal year on all outstanding bonds, including the additional bonds to be
17 issued, less any interest subsidy payments expected to be received from
18 the federal government, less any principal and interest payments
19 irrevocably provided for from a dedicated escrow of United States
20 government securities;

21 (C) "projected state highway fund revenues" means all revenues
22 projected by the secretary of transportation to accrue to the state highway
23 fund for the current or any future fiscal year; and

24 (D) "fiscal year" means the fiscal year of the state.

25 (3) Debt service requirements for variable rate bonds outstanding or
26 proposed to be issued for the current or any future fiscal year for which the
27 actual interest rate cannot be determined on the date of calculation shall be
28 deemed to bear interest at an assumed rate equal to the average of the
29 SIFMA swap index, or any successor variable rate index, for the
30 immediately preceding five calendar years plus 1% and an amount
31 determined by the secretary that represents the then current reasonable
32 annual ancillary costs associated with variable rate debt, including credit
33 enhancement, liquidity and remarketing costs; except that, debt service
34 requirements for variable rate bonds that are hedged pursuant to an interest
35 rate exchange or similar agreement that results in synthetic fixed rate debt
36 shall be deemed to bear interest at the synthetic fixed rate plus .5% and an
37 amount determined by the secretary that represents the then current
38 reasonable annual ancillary costs associated with variable rate debt,
39 including credit enhancement, liquidity and remarketing costs.

40 (4) Projected state highway fund revenues for the current or any
41 future fiscal year for which the actual revenues cannot be determined on
42 the date of calculation shall be deemed to be the actual revenues for the
43 most recently completed fiscal year, adjusted in each subsequent fiscal

1 year by a percentage equal to the historical average annual increase or
2 decrease in revenues for the five fiscal year period prior to the current
3 fiscal year, and further adjusted to take into account any increases or
4 decreases in the statutory rates of any taxes or other charges or transfers
5 that comprise a portion of the revenues.

6 ~~(d) In accordance with procurement statutes, the secretary may~~
7 ~~contract with financial advisors, attorneys and such other professional~~
8 ~~services as the secretary deems necessary to carry out the provisions of~~
9 ~~this act, and to do all things necessary or convenient to carry out the~~
10 ~~powers expressly granted in this act.~~

11 Sec. ~~3~~. 2. K.S.A. 68-2328 is hereby amended to read as follows: 68-
12 2328. (a) Bonds may be issued for the purpose of refunding, either at
13 maturity or in advance of maturity, any bonds issued under this act, any
14 interest on such bonds or both bonds and the interest thereof. Such
15 refunding bonds may either be sold or delivered in exchange for the bonds
16 being refunded. If sold, the proceeds may either be applied to the payment
17 of the bonds being refunded or deposited in trust and there maintained in
18 cash or investments for the retirement of the bonds being refunded, as shall
19 be specified by the secretary and the authorizing resolution or trust
20 indenture securing such refunding bonds. The authorizing resolution or
21 trust indenture securing the refunding bonds may provide that the
22 refunding bonds shall have the same security for their payment as provided
23 for the bonds being refunded. Refunding bonds shall be sold and secured
24 in accordance with the provisions of this act pertaining to the sale and
25 security of the bonds. Any bonds that have been issued pursuant to this
26 section shall not be counted toward the limit on the aggregate principal
27 amount of bonds established under ~~subsections (a) and (b)~~ of K.S.A. 68-
28 2320(a) and (b), and amendments thereto, *and such bonds shall not be*
29 *subject to the limitations on the issuance of bonds established under*
30 *K.S.A. 68-2320(c), and amendments thereto.*

31 (b) When all bonds issued under article 23 of chapter 68 of the
32 Kansas Statutes Annotated, and amendments thereto, have either been paid
33 or the lien of such bonds shall have been defeased in accordance with their
34 terms so that the bonds are deemed to have been paid, the secretary of
35 transportation shall certify such facts to the director of accounts and
36 reports and upon receipt of such certification the director of accounts and
37 reports shall transfer all moneys in the state freeway fund to the state
38 highway fund and upon such transfer all liabilities of the state freeway
39 fund are hereby transferred to and imposed upon the state highway fund
40 and the state freeway fund is hereby abolished. Upon the abolition of the
41 state freeway fund, any reference to the state freeway fund or any
42 designation thereof, in any statute, contract or other document shall mean
43 the state highway fund.

1 ~~Sec. 4.~~ **3.** K.S.A. 2020 Supp. 68-2332 is hereby amended to read as
2 follows: 68-2332. (a) The Eisenhower legacy transportation program shall
3 allow the secretary of transportation to award certain state highway system
4 projects using alternative delivery procurement methods other than award
5 of a design-bid-build contract to the lowest bidder as provided in K.S.A.
6 68-410, and amendments thereto, subject to the following:

7 (1) Projects selected for alternative delivery shall not include
8 preservation projects as described in K.S.A. 2020 Supp. 68-2314c, and
9 amendments thereto;

10 (2) alternative delivery may be used on three projects utilizing toll
11 revenues for construction and maintenance of the project. One project
12 utilizing toll revenues may be let to construction once every three years;

13 (3) not more than 3% of dollars spent in the Eisenhower legacy
14 transportation program shall be used on alternative delivery. An additional
15 2% of dollars spent in the Eisenhower legacy transportation program shall
16 be available for use on alternative delivery starting in fiscal year 2023. The
17 dollar value of the three projects utilizing toll revenues referenced in
18 paragraph (2) and projects obtained through federal grants or federal
19 stimulus shall not be considered in determining the limits set forth in this
20 paragraph; and

21 (4) any project utilizing alternative delivery shall equal or exceed
22 ~~\$100,000,000~~ \$10,000,000 in costs.

23 (b) In addition to the requirements in subsection (a), alternative
24 delivery projects in the Eisenhower legacy transportation program shall be
25 subject to the following requirements and restrictions:

26 (1) Procurement methods for transportation alternative delivery
27 projects may provide for a single contract or multiple contracts that
28 include, but are not limited to, services for preconstruction, design,
29 construction, construction management, maintenance, operation, financing
30 or a combination thereof;

31 (2) the Kansas department of transportation shall develop and utilize
32 criteria for selecting whether alternative delivery or design-bid-build
33 procurement process is in the best interest of the state. No project will be
34 selected for alternative delivery without having been evaluated under the
35 selection criteria established by the department. The selection criteria shall
36 include, but not be limited to, the need for accelerated schedule, safety
37 needs, project complexity, opportunity for innovation and economic
38 development; *and*

39 (3) the Kansas department of transportation shall develop and utilize
40 procedures for advertising proposals, receiving proposals, evaluating
41 proposals, awarding contracts and administering contracts in its alternative
42 delivery procurement program, and the procurement procedures in K.S.A.
43 68-408 through 68-410, 75-430a and 75-5804 through 75-5807, and

1 amendments thereto, shall not apply to transportation alternative delivery
2 projects.

3 (c) Notwithstanding any requirements set forth in subsections (b) or
4 (c), the alternative delivery procedures shall include:

5 (1) A two-phase best value competitive selection or contracting
6 process in which the first phase consists of short listing no more than four
7 proposers based on qualifications identified in the request for
8 qualifications and the second phase consists of the submission of price or
9 technical proposals, or both, in response to a request for proposal;

10 (2) advertisement of requests for qualifications in the Kansas register
11 for at least three consecutive weeks;

12 (3) prequalification of contractors performing construction and of
13 firms performing professional technical services by the secretary in
14 accordance with existing state statutes, regulations, and department
15 procedures governing prequalification and licensing;

16 (4) a bond for performance and payment or alternative security
17 guaranteeing contract performance and payment obligations for supplies,
18 materials and labor furnished for the alternative delivery project; and

19 (5) a requirement that firms and key personnel identified in the
20 qualifications phase and scored to determine the shortlist may not be
21 replaced during the alternative delivery project without the Kansas
22 department of transportation's written approval.

23 (d) Notwithstanding any other provision of law to the contrary, a
24 contracting entity selected for an alternative delivery project shall not be in
25 violation of K.S.A. 74-7001 et seq., and amendments thereto, and the
26 contract entered into by such contractor shall not be void if such contractor
27 obtains the professional services by subcontracting with an entity or
28 entities duly licensed or holding a certificate of authorization to perform
29 professional services in accordance with K.S.A. 74-7001 et seq., and
30 amendments thereto.

31 (e) Notwithstanding the provisions of K.S.A. 68-419a, and
32 amendments thereto, a contracting entity selected for an alternative
33 delivery project that is responsible for preparing or furnishing design plans
34 and specifications, through its own organization or by subcontracting as
35 provided in subsection (d), shall be liable for damages arising out of
36 design defects in such plans and specifications resulting in injury to
37 persons or damage to property, occurring after completion of the contract
38 and acceptance thereof by the Kansas department of transportation, if and
39 to the extent such injury or damage arises out of a failure to exercise the
40 degree of learning and skill ordinarily possessed by a reputable contractor
41 or by a technical professional practicing in Kansas in the same or similar
42 locality and under similar circumstances. Nothing contained in this
43 subsection shall be construed as abrogating, limiting or otherwise affecting

1 any cause of action accruing to the state or any agency or instrumentality
2 thereof that was a party to such contract.

3 ~~Sec. 5.~~ **4.** K.S.A. 2020 Supp. 75-5094 is hereby amended to read as
4 follows: 75-5094. (a) The secretary of transportation is hereby authorized
5 and empowered to make grants for construction projects, the purpose of
6 which is to expand and improve broadband service in the state of Kansas.
7 The secretary of transportation is authorized to make such grants when
8 working jointly with the office of broadband development within the
9 department of commerce.

10 (b) There is hereby established in the state treasury the broadband
11 infrastructure construction grant fund. All moneys credited to such fund
12 shall be used to provide grants for the expansion of broadband service in
13 the state of Kansas. All expenditures from such fund shall be made in
14 accordance with the provisions of appropriation acts and upon warrants of
15 the director of accounts and reports issued pursuant to vouchers approved
16 by the secretary of transportation or the secretary's designee.

17 (c) Grants made by the secretary of transportation from the
18 broadband infrastructure construction grant fund shall reimburse grant
19 recipients for up to 50% of actual construction costs in expanding and
20 improving broadband service in the state of Kansas. Such grant
21 reimbursements shall be upon such terms and conditions as the secretary
22 of transportation may deem appropriate, in coordination with the secretary
23 of commerce.

24 (d) On July 1, 2020, and each July 1 thereafter through July 1, 2022,
25 the director of accounts and reports shall transfer \$5,000,000 from the state
26 highway fund to the broadband infrastructure construction grant fund. On
27 July 1, 2023, and each July 1 thereafter through July 1, 2030, the director
28 of accounts and reports shall transfer \$10,000,000 from the state highway
29 fund to the broadband infrastructure construction grant fund. At the end of
30 each fiscal year, the secretary of transportation is hereby authorized to
31 notify the director of accounts and reports to transfer all remaining and
32 unencumbered funds from the broadband infrastructure construction grant
33 fund to the state highway fund.

34 ~~Sec. 6.~~ **5.** K.S.A. ~~68-2320~~ and 68-2328 and K.S.A. 2020 Supp. 68-
35 2314c, 68-2332 and 75-5094 are hereby repealed.

36 ~~Sec. 7.~~ **6.** This act shall take effect and be in force from and after its
37 publication in the statute book.