

CHAPTER 17
HOUSE BILL No. 2756*

AN ACT concerning a public safety communication system; authorizing the secretary of transportation to purchase certain equipment and lease such equipment or access to such equipment to certain entities; authorizing the issuance of revenue bonds.

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

Section 1. As used in this act:

- (a) "Communication system" means a system of communications to support the purposes of the department and public safety agencies.
- (b) "Communication system equipment" means equipment necessary to use, implement, support and maintain the communication system, including, but not limited to, radio towers.
- (c) "Department" means the Kansas department of transportation.
- (d) "Fund" means the Kansas communication system revolving fund established by section 3, and amendments thereto.
- (e) "Public safety agency" means any governmental agency providing law enforcement, emergency management, fire fighting, ambulance, emergency medical or other emergency services.
- (f) "Revenues" means any receipts, fees, revenues or other payments received or to be received by the department under this act.
- (g) "Secretary" means the secretary of the Kansas department of transportation.

Sec. 2. (a) The secretary may:

- (1) Purchase communication system equipment for the purpose of leasing such equipment to public safety agencies;
- (2) lease communication system equipment, and access to such equipment, to public safety agencies; and
- (3) lease access to communication system equipment to governmental and nongovernmental entities, to the extent such access is not required by the department or public safety agencies.

(b) The secretary shall establish prices for leasing communication system equipment and access to such equipment pursuant to this act. Prices for governmental entities shall recover actual incremental costs of administration, equipment, installation and maintenance for each lessee. Prices for leasing access to such equipment to nongovernmental entities shall be at prevailing rates so as to minimize competition with private business.

Sec. 3. (a) There is hereby established in the state treasury the communication system revolving fund. The secretary shall remit to the state treasurer, in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, all moneys received by the secretary pursuant to this act. Upon receipt of the remittance, the state treasurer shall deposit the entire amount in the state treasury and credit it to the fund.

(b) The fund shall consist of:

- (1) All lease payments received by the secretary pursuant to this act, in accordance with agreements entered into between lessees and the secretary;
- (2) amounts appropriated or otherwise made available by the legislature for the purposes of the fund;
- (3) the proceeds, if any, from the sale of bonds issued pursuant to this act for the purposes of the fund, to the extent provided in any agreement entered into between the secretary and the Kansas development finance authority;
- (4) interest earned on moneys in the fund;
- (5) amounts contributed or otherwise made available by any public or private entity, including the federal government, for use in effectuating the purposes of the fund; and
- (6) amounts transferred by order of the secretary from the state highway fund.

(c) Subject to the provisions of this act, expenditures from the fund shall be made for the following purposes:

- (1) To purchase, maintain and administer the communication system;
- (2) to purchase communication system equipment to lease to public safety agencies;
- (3) for the payment of the principal of bonds issued pursuant to this act, including sinking fund payments or payments to any other required

reserves, and the premium, if any, and interest on such bonds;

(4) for the maintenance of, or provision for, any reserves, additional security, insurance or other form of credit enhancement to secure such bonds required or provided for in any trust agreement entered into pursuant to this act;

(5) to provide reserves for or otherwise secure bonds issued pursuant to this act and to provide insurance or other credit enhancement for such bonds;

(6) for administrative costs of the fund or for any of the foregoing; and

(7) the transfer of money by order of the secretary to the state highway fund.

(d) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the communication system revolving fund interest earnings based on:

(1) The average daily balance of moneys in the communication system revolving fund for the preceding month; and

(2) the net earnings rate for the pooled money investment portfolio for the preceding month.

(e) All expenditures from the communication system revolving fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary for the purposes set forth in this section.

Sec. 4. (a) The secretary shall administer the provisions of this act and shall be responsible for the administration and management of the fund. The secretary shall have the power to enter into agreements and contracts and to transfer money between the state highway fund and the fund as required to effect the purposes of this act.

(b) The secretary shall adopt rules and regulations, to carry out the purposes and provisions of this act.

Sec. 5. The activities of the secretary in administering and performing the powers, duties and functions prescribed by the provisions of this act and in acquiring financing for acquisition of equipment for the implementation and maintenance of the communication system are hereby approved for the purposes of subsection (b) of K.S.A. 74-8905, and amendments thereto, and the authorization of issuance of one or more series of revenue bonds by the Kansas development finance authority in accordance with the Kansas development finance authority act (K.S.A. 74-8901 *et seq.*, and amendments thereto). The provisions of subsection (a) of K.S.A. 74-8905, and amendments thereto, shall not prohibit the issuance of bonds for such purposes when so authorized and any such issuance of bonds is exempt from the provisions of subsection (a) of K.S.A. 74-8905, and amendments thereto.

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

Approved March 29, 2004.

Published in the *Kansas Register* April 8, 2004.
