

Senate Utilities Committee

February 5, 2025 SB 57

Kansas Association of Counties Opponent Testimony

Chairman Fagg and members of the Committee:

Thank you for allowing the Kansas Association of Counties to offer opponent testimony on SB 57, which would require cities, counties and the state to reimburse communications providers if communications facilities must be relocated or modified for road and highway projects.

SB 57 would represent a tax increase for property taxpayers. Under this bill, county highway construction and maintenance projects would be required to include sufficient funds to pay communication and video service providers to move or modify their facilities. Those additional costs would increase the cost of projects. Those projects are paid for through property tax dollars. Therefore, any increase in costs is a tax increase for property taxpayers.

It should be noted that during the 2024 legislative session, video service providers and telecommunications carriers successfully passed 2024 Session HB 2588, which limited counties to only charge the following fees for use of the right-of-way:

- A construction permit fee for processing, verifying and issuing the construction permit;
- An excavation permit fee for each pavement cut; and
- An inspection fee for inspecting the provider's work.

All other fees are expressly prohibited. Not only that, video service providers are allowed under 2024 Session HB 2588 to offset any fees and charges against any provider fees imposed under the Video Competition Act. This essentially means that the county receives no compensation for use of the county right-of-way because the fees must be offset against any video service provider fees imposed, and counties would have to use tax dollars if those facilities were ever required to be moved for a future road project. SB 57 passes all of those costs onto county property taxpayers while the county receives no additional compensation for use of the public right-of-way.

Additionally, if counties elect not to perform work due to the increase in costs, this represents a safety issue. Counties perform work because it is necessary to make county roads safe for all travelers. Increasing the cost of that work or forcing work to be deferred because the cost does not fit under the budget creates a safety risk for everyone in the community.

SB 57 is a tax increase hidden inside a right-of-way bill because SB 57 would increase the cost of road and bridge projects, which are funded by property taxes. It could also pose a safety risk if projects are delayed or deferred due to costs in an effort to maintain a fiscally sound road and bridge budget. For these

reasons KAC would ask that the committee not advance SB 57. Thank you for your time and consideration.

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