

As Amended by House Committee

Session of 2026

HOUSE BILL No. 2647

By Committee on Transportation

Requested by Joel Skelley on behalf of the Kansas Department of Transportation

2-3

AN ACT concerning communications services; relating to the Kansas department of transportation; authorizing the Kansas department of transportation to establish a statewide ~~fiber-optic~~ **conduit** system **for fiber optic transmissions of broadband connections**; establishing the Kansas broadband revolving fund for the receipt and disbursement of moneys related to such system; ~~authorizing the issuance of revenue bonds by the Kansas development finance authority~~; requiring the secretary of transportation to prepare and submit a report to the legislature regarding such system.

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

Section 1. As used in this act:

(a) "Department" means the Kansas department of transportation.

(b) "Equipment" means optical fibers and ancillary equipment used to support fiber optic transmission systems, including, but not limited to, transmitters, receivers, connectors, vaults and ducts.

(c) "Revenues" means any receipts, fees, revenues or other payments received or to be received by the department under this act.

(d) "Secretary" means the secretary of the Kansas department of transportation.

(e) "System" means a physical infrastructure of conduit and microduct used to house optical fibers that enable the transmission of broadband connections.

Sec. 2. (a) The secretary is hereby authorized and empowered to plan, administer, construct, reconstruct, rehabilitate and maintain a system in accordance with this act. The secretary may:

(1) Enter into agreements with governmental and nongovernmental entities to install equipment in the system or use the system to the extent that the system is not needed by the department; and

(2) require entities that install equipment in the system or use the system to obtain a highway right-of-way use permit.

(b) The secretary shall:

(1) Establish a schedule of fees to be charged to entities that install equipment in the system or use the system. Such fees shall be set at an amount that is sufficient to recover the actual incremental cost incurred by

1 the department for the administration, construction, reconstruction,
2 rehabilitation and maintenance of the system;

3 (2) adopt a policy to prioritize the available space within the system;
4 and

5 (3) establish standard terms and conditions that shall be included in
6 any agreement that authorizes an entity to install equipment in the system
7 or use the system.

8 **(c) Nothing in this act shall require any entity to use the**
9 **department's system. The department shall not require any entity to**
10 **use the department's system in lieu of obtaining a highway use permit**
11 **and installing such entity's own system within the state highway right-**
12 **of-way. Only entities using the department's system shall be required**
13 **to pay fees or costs associated with the department's system.**

14 Sec. 3. (a) There is hereby established in the state treasury the Kansas
15 broadband revolving fund. Such fund shall be administered by the
16 secretary. All expenditures from the Kansas broadband revolving fund
17 shall be made in accordance with appropriation acts upon warrants of the
18 director of accounts and reports issued pursuant to vouchers approved by
19 the secretary or secretary's designee. All moneys received by the secretary
20 pursuant to this act shall be remitted to the state treasurer in accordance
21 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
22 receipt of each such remittance, the state treasurer shall deposit the entire
23 amount to the credit of the Kansas broadband revolving fund.

24 (b) The Kansas broadband revolving fund shall consist of:

25 (1) Any fees paid to the secretary pursuant to section 2, and
26 amendments thereto;

27 (2) amounts appropriated or otherwise made available by the
28 legislature for the purpose of the fund;

29 ~~(3) the proceeds, if any, from the sale of bonds issued pursuant to this~~
30 ~~act for the purposes of the fund to the extent provided in any agreement~~
31 ~~entered between the secretary and the Kansas development finance~~
32 ~~authority;~~

33 (4) interest earned on moneys in the fund pursuant to subsection (d);

34 ~~(5)~~(4) amounts contributed or otherwise made available by any public
35 or private entity, including the federal government, for use in effectuating
36 the purposes of the fund; and

37 ~~(6)~~(5) amounts transferred from the state highway fund by order of
38 the secretary.

39 (c) The secretary or the secretary's designee may make expenditures
40 from the Kansas broadband revolving fund to:

41 (1) Plan, administer, construct, reconstruct, rehabilitate and maintain
42 the system;

43 ~~(2) pay the principal and interest of bonds issued pursuant to this act;~~

1 ~~including sinking fund payments or payments to provide additional~~
2 ~~security, insurance or other form of credit enhancement to secure such~~
3 ~~bonds;~~

4 (3) pay for the administrative costs to carry out the provisions of this
5 act; and

6 (4)(3) transfer moneys from the Kansas broadband revolving fund to
7 the state highway fund.

8 (d) On or before the 10th day of each month commencing on July 1,
9 2026, the director of accounts and reports shall transfer from the state
10 general fund to the Kansas broadband revolving fund interest earnings
11 based on:

12 (1) The average daily balance of moneys in the Kansas broadband
13 revolving fund for the preceding month; and

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

16 (e) To carry out the provisions of this act, the secretary is hereby
17 authorized to order the director of accounts and reports to transfer moneys
18 from the state highway fund to the Kansas broadband revolving fund or
19 from the Kansas broadband revolving fund to the state highway fund.

20 ~~Sec. 4. (a) For the purpose of financing the planning, administration,~~
21 ~~construction, reconstruction, rehabilitation and maintenance of the system~~
22 ~~in accordance with this act, the secretary may enter into agreements with~~
23 ~~the Kansas development finance authority to issue revenue bonds.~~

24 (b) ~~The activities of the secretary in administering and performing the~~
25 ~~powers, duties and functions prescribed by the provisions of this act and in~~
26 ~~acquiring financing for the planning, administration, construction,~~
27 ~~reconstruction, rehabilitation and maintenance of the system are hereby~~
28 ~~approved for the purposes of K.S.A. 74-8905(b), and amendments thereto.~~
29 ~~The Kansas development finance authority is authorized to issue one or~~
30 ~~more series of revenue bonds in accordance with K.S.A. 74-8901 et seq.,~~
31 ~~and amendments thereto. For purposes of this section, the provisions of~~
32 ~~K.S.A. 74-8905(a), and amendments thereto, shall not prohibit the~~
33 ~~issuance of bonds for such purposes when so authorized, and any such~~
34 ~~issuance of bonds shall be exempt from the provisions of K.S.A. 74-~~
35 ~~8905(a), and amendments thereto.~~

36 **Sec. 5. 4. (a) Prior to the 10th day of the regular session of the**
37 **legislature each year, the secretary shall submit a written report to the**
38 **governor, and the senate committee on utilities and, the senate committee**
39 **on transportation, the house of representatives committee on energy,**
40 **utilities and telecommunications, the house of representatives committee**
41 **on transportation and the house of representatives committee on**
42 **transportation and public safety budget, that provides:**

43 (1) The amount of the system constructed, reconstructed or

1 rehabilitated during the preceding fiscal year;

2 (2) the costs associated with the planning, administration,
3 construction, reconstruction, rehabilitation and maintenance of the system
4 during the preceding fiscal year, which shall be set out for each individual
5 category of cost;

6 (3) the payments made by governmental and nongovernmental
7 entities that have entered into agreements with the secretary to install
8 equipment in the system or use the system;

9 (4) a listing of the governmental and nongovernmental entities that
10 have entered into agreements with the secretary to install equipment in the
11 system or use the system;

12 (5) a listing of the governmental and nongovernmental entities that
13 have terminated agreements with the secretary to install equipment in the
14 system or use the system;

15 (6) a listing of all governmental and nongovernmental entities that
16 have applied to install equipment in the system or use the system but have
17 not been allowed to install equipment in the system or use the system and
18 why such entities were denied;

19 (7) a listing of projects that are anticipated to be performed in the
20 subsequent five years and the anticipated timeline for the projects;

21 (8) information concerning the condition and performance of the
22 system; and

23 (9) an explanation of any material changes from the previous annual
24 report.

25 (b) The secretary shall post such report on the official internet page of
26 the department and provide notice of the online posting to all persons or
27 entities requesting such notice. The secretary shall establish a virtual
28 method for a person or entity to request such notice.

29 ~~Sec. 6.~~ **5.** This act shall take effect and be in force from and after its
30 publication in the statute book.