TOLLING, DRAFT RECOMMENDATION LANGUAGE

From the presentation, November 28:

KTA should be allowed to toll facilities that offset a portion of the cost of construction for new capacity and/or maintenance of that roadway.

Remove legislative approval requirement to conduct toll feasibility studies.

Draft based on Task Force discussion, November 28:

KDOT, working with KTA, should be allowed to toll facilities that add capacity and for which tolls would offset a portion of the cost of construction, maintenance, or both for that new capacity. Tolling should be considered for individual expansion projects for which the Secretary of Transportation has determined, in consultation with local officials, that traffic volume, local contribution, or other relevant reasons make such tolling option worthwhile. The Legislature may wish to consider authorizing the Secretary to proceed with tolling projects the Secretary determines to be feasible and acceptable to local communities.

The Legislature should consider removing the requirement that each KTA toll expressway project be financed wholly through the investment of private funds in toll road revenue bonds.

Question remaining: Should local governments be offered the authority to contract with KTA regarding tolling projects on local roads?

Current law

- 68-20,120. Secretary of transportation, feasibility of new toll projects; factors to be considered; funding; construction of toll project or turnpike project. In addition to other powers and duties granted to the secretary of transportation:
- (a) (1) The secretary of transportation may study the feasibility of constructing a new toll project or turnpike project or designating existing highways or any portion of such highways as a toll project or turnpike project.
- (2) The study of the feasibility of such toll project or turnpike project shall include, but not be limited to:
 - (A) The total cost of such project;
- (B) a determination of the funding of such projects, including the use of one or a combination of public funds, private funds or toll revenues;
- (C) a determination of the duration of the collection of tolls on such projects and if such projects are to become toll-free, a projected date when such projects would become toll-free; and

- (D) such other data deemed necessary by the secretary for a determination of the project's feasibility.
- (b) After conducting the feasibility study under subsection (a) and if such feasibility study provides a favorable result, the secretary of transportation may recommend the construction of a new toll project or turnpike project or the designation of an existing highway or any portion of such highway as a toll project or turnpike project.

History: L. 1996, ch. 192, § 1; L. 2010, ch. 156, § 22; June 3. [*Note*: Subsection (b) was added by 2010 Senate Sub. for Senate Sub. for HB 2650, authorizing the Transportation Works for Kansas program.]

68-2002. Turnpike projects. In order to provide for the construction of modern express highways or superhighways embodying, where feasible and necessary, safety devices, including center division, ample shoulder widths, longsight distances, multiple lanes in each direction and grade separation at intersections with other highways and railroads, and thereby facilitate vehicular traffic, provide better connections between the highway system of Kansas and the highway systems of the adjoining states, remove many of the present handicaps and hazards on the congested highways in the state, and promote the agricultural and industrial development of the state, the Kansas turnpike authority (hereinafter created) is hereby authorized and empowered to construct, maintain, repair and operate turnpike projects (as hereinbefore defined), and to issue revenue bonds of the authority, payable solely from revenues, to finance such projects. No toll road project shall be undertaken unless and until such project and the proposed location therefor have been thoroughly studied with respect to traffic, engineering, cost and financing nor unless such study shows:

- (a) That public funds for construction of a free expressway are not available;
- (b) that the construction of a toll expressway can be financed wholly through the investment of private funds in toll road revenue bonds; and
- (c) that the project and indebtedness incurred therefor will be entirely self-liquidating through tolls and other income from operation of the project.

History: L. 1953, ch. 308, § 2; April 7.

68-2017. Project to become part of state highway system after retirement of bonds; operation by secretary of transportation; continuation of tolls for other projects, when. Except as hereinafter provided in this section, when all bonds issued under the provisions of K.S.A. <u>68-2001</u> to <u>68-2020</u>, inclusive, and acts amendatory thereof or supplemental thereto, in connection with any turnpike project and the interest thereon shall have been paid or a sufficient amount for the payment of all such bonds and the interest thereon to the maturity thereof shall have been set aside in trust for the benefit of the bondholders, such project, if then in good condition and repair, shall become a part of the state highway system and shall thereafter be maintained by the department of transportation.

The secretary of transportation, when such project becomes a part of the state highway system, shall have the same power as vested in the authority by K.S.A. <u>68-2009</u>, to fix, revise, charge and collect tolls for the use of such turnpike project and to contract for the use of any part thereof and to fix the terms, conditions, rents and rates of charges for such use; and such tolls, rents and rates of charges shall be sufficient to provide enough revenue to maintain, repair, operate, regulate and police such turnpike. . . .

History: L. 1953, ch. 308, § 17; L. 1975, ch. 427, § 174; L. 1978, ch. 275, § 1; L. 1982, ch. 280, § 1; July 1.