

March 5, 2019

The Honorable Mike Petersen, Chairperson
Senate Committee on Transportation
Statehouse, Room 345-S
Topeka, Kansas 66612

Dear Senator Petersen:

SUBJECT: Fiscal Note for SB 192 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 192 is respectfully submitted to your committee.

Current law requires turnpike or toll projects to be financed entirely through tolls and other income from operation of the project. SB 192 would allow turnpike or toll projects to be financed partly through tolls and other income from operation of the project. Current law also allows the Secretary of Transportation to study the feasibility of constructing a new toll or turnpike project or designating an existing highway or any portion of a highway as a toll or turnpike project. The bill would allow the Secretary additional authority to study the feasibility of designating bridges as toll or turnpike projects.

The purpose of the studies regarding designating highways or bridges as toll or turnpike projects would be to increase capacity on existing highways. Feasibility studies would be required to include a determination, after consultation with local officials, that traffic volume, local participation or other relevant reasons make tolling feasible and acceptable to the affected local community. If the feasibility study provides a favorable result, the Secretary of Transportation may construct a new toll or turnpike project or designate an existing highway or bridge as a toll or turnpike project. The bill would allow projects to be partly financed by bond proceeds.

The Kansas Department of Transportation (KDOT) indicates the bill could result in increased expenditures to conduct new feasibility studies for toll projects. If any new projects are constructed as a result of the studies, KDOT would incur additional expenditures for construction of the projects and receive additional revenue from the tolls. However, KDOT is unable to estimate the fiscal effect for expenditures and revenues because the number of feasibility studies and new

projects that would result from the studies are unknown. Any fiscal effect associated with SB 192 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with the first name "L." and last name "Campbell" clearly visible.

Larry L. Campbell
Director of the Budget

cc: Ben Cleeves, Transportation