

## SENATE BILL No. 409

By Committee on Ways and Means

1-21

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9 AN ACT establishing the passenger rail service program; providing for  
10 powers and duties of the secretary of transportation; establishing the  
11 passenger rail service revolving fund.  
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13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. (a) The secretary of transportation is hereby authorized to  
15 establish and implement a passenger rail service program.

16 (b) The secretary of transportation may, as part of such passenger rail  
17 service program, do the following:

18 (1) Enter into agreements with Amtrak, other rail operators, local  
19 jurisdictions and other states for the purpose of developing passenger rail  
20 service, serving Kansas and other states interconnected and positioned  
21 on a current or proposed route. The agreements may include any of the  
22 following provisions:

23 (A) Cost-sharing agreements associated with initiating service, capital  
24 costs, operating subsidies and other costs necessary to develop and main-  
25 tain service; or

26 (B) joint powers agreements and other institutional arrangements as-  
27 sociated with the administration, management and operation of passenger  
28 rail service.

29 (2) Provide assistance and enter into agreements with local jurisdic-  
30 tions along the proposed route of a midwest regional rail system devel-  
31 opment or other passenger rail service operations serving Kansas to en-  
32 sure that rail stations and terminals are designed and developed in  
33 accordance with the following objectives:

34 (A) To meet safety and efficiency requirements outlined by Amtrak  
35 and the federal railroad administration;

36 (B) to aid intermodal transportation; and

37 (C) to encourage economic development.

38 (3) Provide loans or grants as provided under the provisions of sub-  
39 section (c).

40 (c) (1) The secretary of transportation is hereby authorized to make  
41 loans or grants to passenger rail service providers for the following  
42 purposes:

43 (A) To provide assistance for the restoration, conservation, improve-

1 ment and construction of railroad main lines, branch lines, switching  
2 yards, sidings, rail connections, intermodal yards, highway grade separa-  
3 tions and other railroad related improvements;

4 (B) for rail economic development projects that improve rail facilities,  
5 including the construction of branch lines, sidings, rail connections, in-  
6 termodal yards, stations, equipment defined as locomotives and rolling  
7 stock, including passenger coaches and other rail-related improvements  
8 that spur economic development and job growth; and

9 (C) costs associated with the initiation, operation and maintenance of  
10 passenger rail service.

11 (2) Passenger rail service providers, who desire assistance in the form  
12 of a loan or grant under this section, shall submit an application to the  
13 secretary of transportation. Applications shall be in such form and shall  
14 include such information as the secretary of transportation shall require  
15 and shall be submitted in a manner and at a time to be determined by  
16 the secretary of transportation.

17 (3) Such loans or grants shall be made upon such terms and condi-  
18 tions as the secretary of transportation may deem appropriate, and such  
19 loans or grants shall be made from funds credited to the passenger rail  
20 service revolving fund.

21 (4) The passenger rail service revolving fund is hereby established in  
22 the state treasury which shall be for the purposes established under sub-  
23 section (c)(1). The secretary of transportation shall administer the pas-  
24 senger rail service revolving fund. All expenditures from the passenger  
25 rail service revolving fund shall be made in accordance with appropriation  
26 acts upon warrants of the director of accounts and reports issued pursuant  
27 to vouchers approved by the secretary of transportation or by a person or  
28 persons designated by the secretary.

29 The secretary of transportation shall remit to the state treasurer, in  
30 accordance with the provisions of K.S.A. 75-4215, and amendments  
31 thereto, all moneys received by the secretary pursuant to this act. Upon  
32 receipt of each such remittance, the state treasurer shall deposit the entire  
33 amount in the state treasury to the credit of the passenger rail service  
34 revolving fund.

35 (5) The management and investment of the passenger rail service  
36 revolving fund shall be in accordance with K.S.A. 68-2324, and amend-  
37 ments thereto. Notwithstanding anything to the contrary, all interest or  
38 other income of the investments, after payment of any management fees,  
39 shall be considered income of the passenger rail service revolving fund.

40 (d) As part of the annual report required under K.S.A. 68-2315, and  
41 amendments thereto, the secretary of transportation shall report on the  
42 development and operation of the midwest regional rail system and the  
43 state's passenger rail service program.

1 (e) It is the intent of the state legislature that the enactment of this  
2 act shall not affect the terms or duration of railroad assistance agreements  
3 entered into under legislation enacted before the effective date of this  
4 act.

5 (f) As used in this section “passenger rail service” means long-dis-  
6 tance, intercity and commuter passenger transportation, including the  
7 midwest regional rail system development which is provided on railroad  
8 tracks.

9 (g) The secretary of transportation may adopt rules and regulations  
10 for the purpose of implementing the provisions of this section.

11 Sec. 2. This act shall take effect and be in force from and after its  
12 publication in the Kansas register.