

**CONFERENCE COMMITTEE REPORT BRIEF  
HOUSE BILL NO. 2498**

As Agreed to April 1, 2024

**Brief\***

HB 2498 would increase transfers from the State Highway Fund (SHF) to the Public Use General Aviation Airport Development Fund (Aviation Fund) from \$5.0 million to \$15.0 million annually, starting July 1, 2024. Continuing law authorizes the Secretary of Transportation to use the Aviation Fund to provide grants to public use general aviation airports for planning, constructing, reconstructing, or rehabilitating facilities.

The bill would also increase the minimum amount that must be expended from the Aviation Fund for such grants from \$5.0 million to \$15.0 million annually.

[*Note:* Continuing law defines a public use general aviation airport to mean any airport used by the general public for the taking off and landing of aircraft, excluding those airports classified as primary by the Federal Aviation Administration (FAA). The FAA defines a primary airport as one at which more than 10,000 passengers board annually.]

**Conference Committee Action**

The Conference Committee agreed to replace the contents of HB 2498, regarding the First City of Kansas license plate and county designation on license plates, with the contents of SB 272, as amended by the Senate Committee on Ways and Means.

**Background**

The bill includes the provisions of SB 272, as amended by the Senate Committee on Transportation. [*Note:* Provisions of HB 2498, as amended by the Senate Committee on Transportation, were included in the Conference Committee report for SB 359 with further amendments made in conference.]

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\*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/kIRD>

## **SB 272**

SB 272 was introduced by the Senate Committee on Ways and Means at the request of Senator Claeys.

### ***Senate Committee on Ways and Means***

In the Senate Committee hearing on February 14, 2024, **proponent** testimony was provided by representatives of the Kansas Department of Transportation (KDOT) and the Kansas Association of Airports. The proponents noted that funding supports the Kansas Airport Improvement Program (KAIP), which has been funded at \$5.0 million annually since FY 2013. KAIP provides assistance to 109 airports that enable travel, emergency medical transport, search and rescue operations, and aerial agriculture services. The proponents further noted that a recent KDOT assessment of airport infrastructure in Kansas indicates runway pavement conditions are of concern. The additional funding would go toward items such as pavement improvement, safety features, and automated weather observation systems, all of which the proponents indicate are significant for air ambulance services in rural areas.

Written-only proponent testimony was provided by representatives of the Abilene Municipal Airport, Aircraft Owners and Pilots Association, American Council of Engineering Companies of Kansas, Chamber of Lawrence, the cities of Lawrence and Liberal, Kansas Hospital Association, and Salina Airport Authority.

No other testimony was provided.

The Senate Committee amended the bill to:

- Reduce proposed transfers from the SHF to the Aviation Fund from \$18.0 million to \$15.0 million annually;
- Reduce the proposed minimum amount that must be expended from the Aviation Fund from \$18.0 million to \$15.0 million annually; and
- Shift the starting date for such transfers from July 1, 2023, to July 1, 2024.

[Note: The Conference Committee retained these amendments.]

### ***House Committee on Transportation***

In the House Committee hearing on March 12, 2024, **proponent** testimony was provided by a representative of the Kansas Association of Airports and the KDOT Director of Aviation, who provided testimony substantially similar to that provided to the Senate Committee.

Written-only proponent testimony was provided by representatives of the Aircraft Owners and Pilots Association, American Council of Engineering Companies of Kansas, City of Lawrence, Kansas Association of Airports, Kansas Association of Counties, Kansas Hospital Association, Rooks County Regional Airport, Salina Airport Authority, and Shalz Field (Colby).

No other testimony was provided.

### **Fiscal Information**

According to a fiscal note prepared by the Division of the Budget on SB 272, as introduced, KDOT indicates the bill would increase expenditures from the Aviation Fund to \$18.0 million, which is \$8.0 million more than the Governor's budget recommendation in FY 2024.

Continuing law authorizes the Secretary of Transportation to transfer additional moneys from the SHF to the Aviation Fund or from the Aviation Fund to the SHF, provided that a minimum amount of \$5.0 million is expended from the Aviation Fund annually. KDOT notes that expenditures from the Aviation Fund were increased from \$5.0 million to \$10.0 million, with a corresponding increase in transfers from the SHF, under the Governor's budget recommendation in FY 2024 for the agency to make additional grants to public use airports.

[*Note:* The Governor's budget recommendation for FY 2025 includes expenditures of \$10.0 million from the Aviation Fund, with corresponding transfers from the SHF.]

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Public Use General Aviation Airport Development Fund; State Highway Fund; airport

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