



March 11, 2025

**Proponent Testimony on HB 2121
Senate Transportation Committee**

Chairman Petersen and Members of the Committee,

Thank you for the opportunity to appear before you on behalf of the Kansas Contractors Association (KCA). The KCA represents more than 200 companies working in Kansas' heavy construction industry. Collectively, these companies create and sustain thousands of good-paying, private sector jobs across our state.

The KCA applauds the efforts of the Kansas Legislature over the last several years to reduce highway transfers, complete commitments made under T-Works, continue investment in the IKE transportation plan with stable, consistent funding for the Kansas Department of Transportation.

New registration rates for Electric/Hybrid motorcycles, vehicles & trucks

HB 2121 establishes the following new rates:

1. Electric motorcycles - \$30.00.
2. Electric vehicles - \$165.00, increase from \$100.00.
3. Electric Hybrid vehicles - \$85.00, increase from \$50.00.
4. Plug-in electric hybrid vehicles - \$100, increase from \$50.00
5. Hybrid truck - \$125.00.
6. Electric truck - \$200.00.

The Kansas Contractors Association agrees with the new rates proposed in the amended bill.

Vehicle Fuel Efficiency

The revenue generated from the motor fuels tax and registration fees in Kansas has remained flat for many years. The reality is, the federal government, vehicle manufacturers and consumers all want more fuel-efficient vehicles on the road. I have attached several graphs to my testimony to illustrate the fuel efficiency that is taking place and the impact on revenue generated by the motor fuels tax.

System needs are increasing

As you have heard from KDOT presentations, with record inflation over the last several years, maintenance and preservation needs of the system is now over \$600 million annually. This doesn't include the investment needed each year to modernize the system. The needs of the transportation system are far greater than the resources available to fund them.

Fairness Issue

Maintaining transportation infrastructure is expensive. Kansas has always valued motor fuels tax and registration fees to fund transportation infrastructure because it is dedicated

funding for the system. The reality is, there are more and more fuel-efficient vehicles on the market today than in 2019 when the electric and hybrid registration fees were established. To maintain our infrastructure, all vehicles utilizing the system need to pay a fair share of the cost. The KCA believes this is a step in the right direction to spread the costs of the system to all drivers.

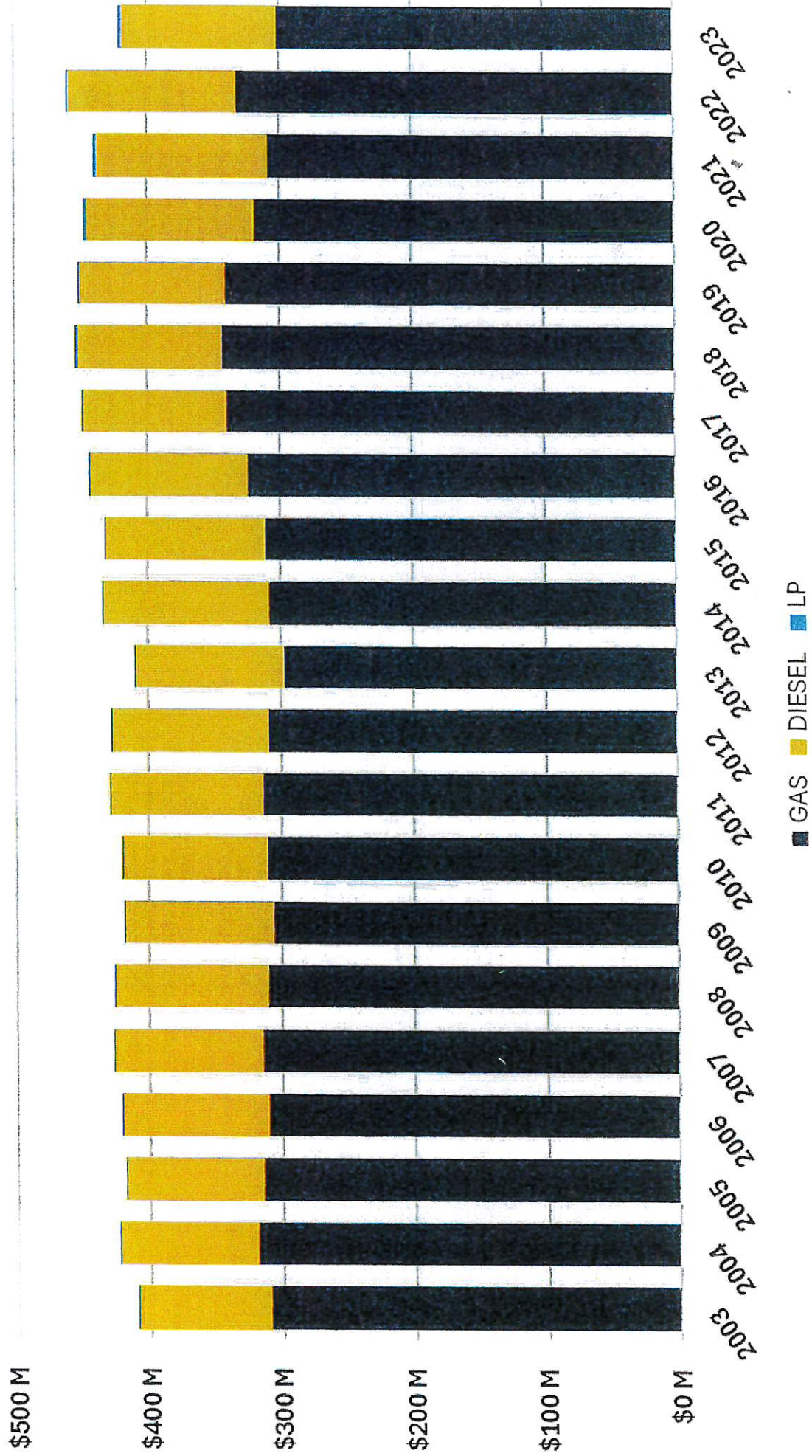
Again, I thank you for allowing me the opportunity to appear before you today. We appreciate your favorable consideration of HB2121.

A handwritten signature in black ink, appearing to read "Michael White". The signature is stylized with a large, sweeping "M" and a cursive "White".

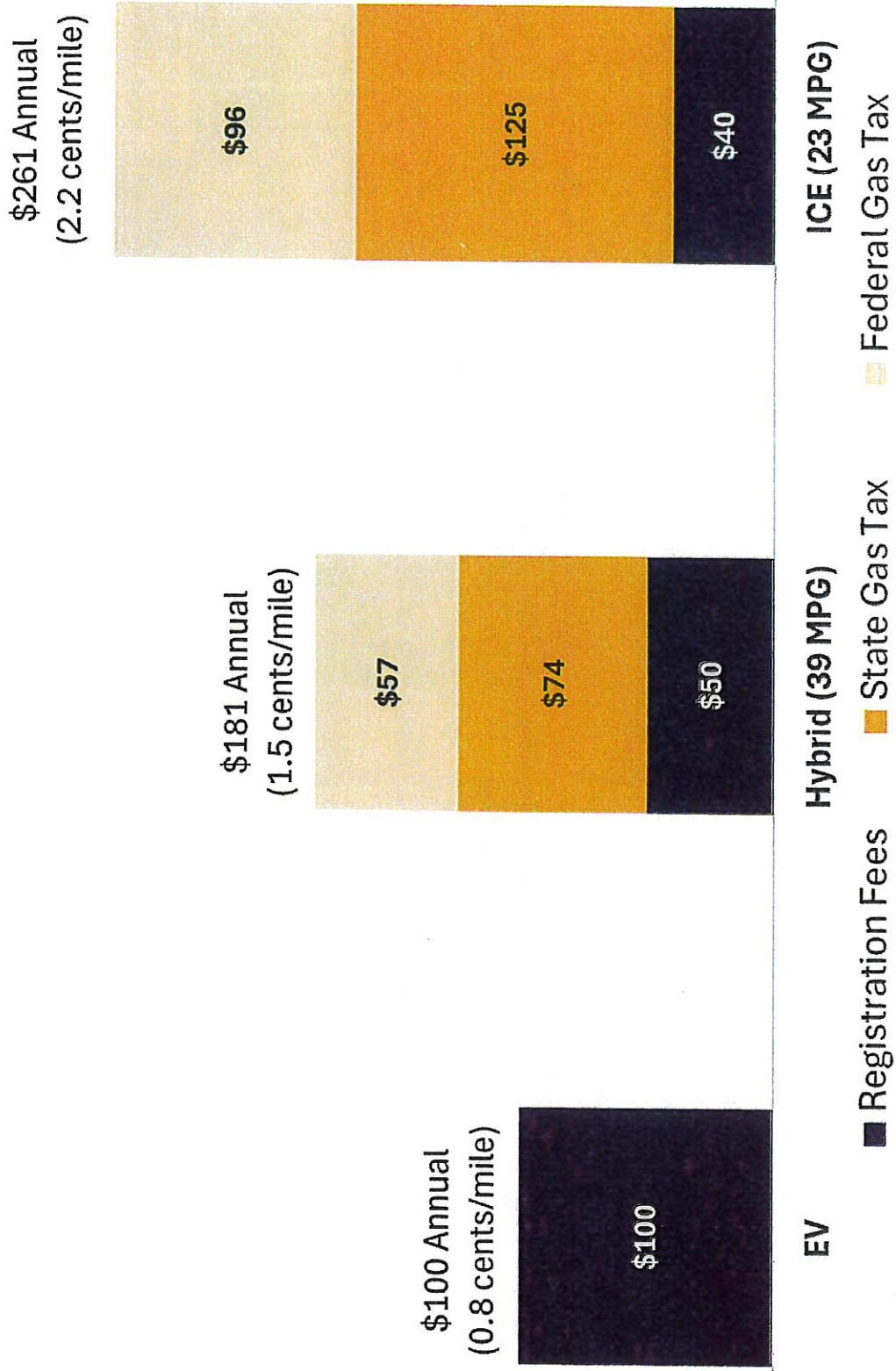
Michael White, Executive Director

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STATE MOTOR FUELS TAX REVENUE



Annual Motor Fuels Tax and Fees in Kansas (based on 12,000 miles of travel)



Updated NHTSA CAFE Standards – June 2024

Parameters for the Passenger Automobile Fuel Economy Targets

Model Year	MPG
2017	32.65
2018	33.84
2019	35.07
2020	36.47
2021	37.02

Model Year	MPG
2022	37.59
2023	38.16
2024	41.48
2025	45.08
2026	50.09

Model Year	MPG
2027	51.12
2028	52.16
2029	53.22
2030	54.31
2031	55.42

Source: National Highway Traffic Safety Administration, “Corporate Average Fuel Economy Standards for Passenger Cars and Light Trucks for Model Years 2027 and Beyond and Fuel Efficiency Standards for Heavy-Duty Pickup Trucks and Vans for Model Years 2030 and Beyond”, Final Rule June 2024. Pg. 980

EPA: Real-World Vehicle Fuel Economy

Estimated Real-World MPG for Cars



* 2023 Preliminary Data

Source: Environmental Protection Agency Automotive Trends Data, Estimated Real-World Fuel Economy, CO₂ Emissions, and Vehicle Attributes. Accessed Aug. 23, 2024.