



House Taxation  
Date: 2/16/12  
Attachment: 33

## WRITTEN TESTIMONY

February 15, 2012

**TO:** The Honorable Richard Carlson, Chairman, House Taxation Committee

**FROM:** Todd LaTorella, P.E., Executive Director  
Missouri/Kansas Chapter, American Concrete Pavement Association

**SUBJECT:** Opposition Testimony to House Bill 2747

Mr. Chairman and honorable committee members, my name is Todd LaTorella from Olathe, and I am here representing the members of the Missouri/Kansas Chapter, American Concrete Pavement Association to express my opposition to House Bill 2747 as it relates to funding for the T-WORKS program and transportation in our state. Our membership is made up of concrete paving contractors, cement manufacturers, material suppliers, and equipment suppliers that provide products and services for the construction of highway infrastructure in Kansas. As such our member companies rely heavily on public funding for highway infrastructure projects. With the downturn in the economy and the decline in overall construction spending many of our member companies have been forced to reduce their operations and work forces in recent years. Passage of the T-WORKS program has been critical to keeping many of our companies in business and from having to reduce their work forces even further. Delaying the 4/10 cent sales tax transfer to KDOT in FY14 and FY15 to fund T-WORKS, while not seeming to be harmful, would create significant increased strain on our member companies who are already struggling. The result would be catastrophic and would likely lead to increased work force reductions. The fact is that while the T-WORKS program may not be creating a significant number of "new" jobs in the highway construction industry, it is definitely critical to protecting existing jobs and allowing our member companies to retain a lot of their work force.

As I recall during similar discussions last year, the diverting of KDOT funding was seen as "acceptable" due to the lower than expected bid prices resulting from the increased competition in the marketplace. While the diverting of KDOT funding can be "spun" in this fashion, the reality is that the savings from the lower than anticipated bid prices could have been used to let additional projects which would have resulted in additional jobs being created.

I also recall during the press conference in Overland Park for the US-60/I-435 project that the number \$700 million was thrown around as being the amount of economic impact this \$100

House Taxation  
Date: 2/16/12  
Attachment: 33

noitsxeT esuot

million-project would generate. Even if the \$700 million number is slightly inflated it is hard to imagine that the economic impact from the project will not create a substantial number of new jobs.

In closing, I appreciate the opportunity to speak to you today about the importance of fully funding the T-WORKS program as initially intended for both the health of our member companies and the taxpayers of Kansas, which I am one. This continual "raiding" of KDOT's funding has to stop and other solutions must be brought forward.

-----  
-----  
-----