

February 12, 2013

Chairman Steve Huebert  
House Local Government Committee  
Kansas Capitol  
Topeka, KS 66612

Chairman Huebert:

Please accept this letter as Deffenbaugh Industries Inc.'s (DII) support of passage of HB 2072.

As a Kansas-based solid waste hauler for 56 years, DII has a long history of competing with other private haulers for residential and commercial accounts. While that type of competition provides the best possible level of price and service for customers, the system can be badly skewed when public-sector haulers are injected into the process.

While we may not have enjoyed it, we have gritted our teeth and moved on when a municipality arbitrarily reclassified DII commercial customers as residential stops and forbid us from retaining our longtime clients. Those clients, incidentally, wanted to retain our service – particularly after their municipal hauler imposed rate increases.

But when a municipality – which does not share private industry's need to make a profit or pay sales taxes – competes for customers outside their jurisdictions, the marketplace is no longer level for all competitors. And in the course of that hobbled competition, a municipality can readily offer rates below those charged to their own citizens. In those cases, the residents of a municipality unwittingly subsidize their own city's efforts in surrounding communities, all at the expense of private haulers.

Thank you for your time and your willingness to consider our support for HB 2072.

Yours very truly,



Thomas F. Coffman  
Senior Vice President  
Deffenbaugh Industries Inc.