



Date: February 14, 2013  
To: House Taxation Committee  
From: Larry R. Baer  
Legal Counsel  
Re: House Bill 2136  
Testimony in Opposition

Thank you for allowing me to appear before you today and present testimony in opposition to House Bill 2136 on behalf of the League of Kansas Municipalities and its member cities.

Current law provides that beginning July 1, 2013 revenue collected and received on 4/10ths of a cent sales tax is to be credited to the state highway fund. HB 2136 would amend current law to remove the 4/10ths of a cent sales tax from the state highway funding formula.

The League of Kansas Municipalities has always stood in support of highway funding and, in particular, the various comprehensive transportation plans that have been developed by the Department of Transportation and the people of Kansas. Good roads and transportation systems are key to our member cities. Transportation in Kansas is about more than good roads. Roads and transportation mean employment and economic development. The continuation of a comprehensive program is one of the keys to boosting the state and local economies.

We are deeply concerned that the loss of the promised sales tax revenue, when coupled with the previous transfers and alluded to future transfers, will gravely impair the State's ability to carry out the current comprehensive transportation program. The loss of the program would adversely impact our cities and hamper their ability to grow.

For these reasons the League stands in opposition to HB 2136.

Thank you for allowing me to present this testimony. I will be happy to stand for questions.