



212 SW EIGHTH AVENUE, SUITE #200 ■ TOPEKA, KANSAS 66603-3939
785-233-1903 ■ FAX 785-233-3518 ■ www.economiclifelines.com

Testimony from Economic Lifelines in Opposition to HB 2427
House Taxation Committee
May 5, 2015

Economic Lifelines is the statewide coalition of organizations and community groups which have provided the grassroots support for Comprehensive Transportation Programs in Kansas over the past 30 years. Our members understand that the economic development and jobs generated by Comprehensive Transportation Programs are vital to the stability and growth of the Kansas economy and our communities.

In 2010, this legislature, with overwhelming support from all areas of our state, enacted T-WORKS, the state's 10 year, \$8 billion transportation plan, funded primarily by a 4/10 cent sales tax. T-WORKS is delivering major new improvement projects throughout the state, making travel safer, and stimulating the Kansas economy. Since its inception more than \$1.2 billion dollars has been diverted from KDOT to shore up areas of the general fund budget. If we continue down this path of diverting T-WORKS funds to meet general fund shortfalls, there will be significant detrimental impacts, including lower job creation and higher costs to maintain the road network vital to our farms and businesses.

In FY's 2016 and 2017, in addition to the \$215 million in what KDOT calls historical transfers, the Governor's budget along with legislative amendments currently takes an additional \$550 million from the highway fund over the two year period. This further jeopardizes the completion of T-WORKS as it was developed and promised to Kansas communities. Major projects in FY 2017, FY 2018 and FY 2019 are at risk as are projects necessary to preserve our roads at a level Kansans expect. According to KDOT, further diversions will delay nearly \$246 million in preservation work in FY 2016 alone.

T-WORKS projects are vital as they support the infrastructure needed to allow economic development. Kansas communities are counting on this program which pledged at least \$8 million in improvements for every county. T-WORKS is a proven program for all areas of the state, supporting 175,000 jobs over the

life of the program. Cuts to transportation work at cross purposes with economic development opportunities for all Kansas businesses and ultimately affect safety on our highways.

HB 2427 increases gas taxes by \$89 million yet does not fund one project. A new gas tax which doesn't go toward road improvements undercuts confidence in the current program and it will erode support for any new program in the future.

We urge you to oppose HB 2427.

Michael Johnston
Economic Lifelines