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TESTIMONY

Date: May 5, 2015

Before: The House Committee on Taxation

By: Beau Boulden, Vice President & General Manager
APAC – Kansas City

Regarding: HB 2427, Providing for a \$.05 increase in motor fuel taxes.

Good Afternoon Chairman Kleeb and Members of the Committee:

My name is Beau Boulden, Vice President & General Manager, APAC – Kansas City. APAC – Kansas City is an aggregate and asphalt doing business generally in the Kansas City metro market. I appreciate the opportunity to appear before you today to express our opposition to HB 2427.

Since 2012 APAC Kansas City has been forced to lay off over 150 people. This is primarily due to the divestiture of our construction divisions. Our sister company, APAC Shears, Hutchinson, KS so far has been able to maintain their levels of employment (500 people). The current proposed cuts will reduce APAC Shears revenue by 50%. You can imagine the impacts this will have on our future employment levels. Furthermore, over the last four years based on the assurances provided with the passage of TWORKS APAC invested over \$12.5 million in new equipment, plants and automation.

While HB 2427 may be step in the right direction but it appears it will not be enough. The continued removal of sales tax dollars will only fuel the eventual demise of TWORKS. In our opinion, this legislature needs to develop realistic solutions to the revenue problems we are faced with by consideration of sales tax or even the restoration of income taxes. In our opinion, there is no other way to

Thank you for your time and consideration, I will be happy to respond to any questions you may have at the appropriate time.