

Written Testimony from the Kansas Contractors Association in
Opposition of the Rescission Bill before the Senate Ways and Means
Committee
January 28, 2015

The Kansas Contractors Association, which has been in existence since 1923, **represents over 300 companies** who are involved in the construction of roads and bridges, dams and water treatment facilities in all 105 counties of Kansas and some areas of the Midwest.

As you well know, Kansas has a rich history of quality roads and investments in highways, and it has now become an expectation of our citizens to have a good road system. Many of us are not aware of how bad it was 30 years ago before the passage of the 1989 Comprehensive Highway Program and the subsequent programs since then.

Unfortunately, the cuts or the diversions that have been recommended will cause the road program to go back to the way it was in 1988. And Kansas will become like our neighbor to the East with a road program that is less than satisfactory.

In 2010, the state passed a 10-year, \$8.2 billion dollar transportation program. It was funded primarily by a 4 tenths sales tax. Unfortunately, in recent weeks, we have been informed substantial dollars are now being recommended to be cut from the system. That is not good news for Kansas as many studies show that deferring maintenance is a poor infrastructure business decision from an engineering and cost/benefit perspective, and deferred costs will increase due to inflation. Contractors, suppliers and businesses will be directly impacted, many will be forced to lay off employees, and others may close. These are the same companies that played a role in passing TWORKS. Fewer contractors translate to fewer bidders and potentially less competitive bidding.

Because of this expected impact, the Kansas Contractors Association is opposed to the proposed rescission legislation (HB 2038) which would divert over \$150 million dollars from T-Works to fill part of this current budget hole. We know further cuts or transfers from KDOT will jeopardize the completion of T-Works as it was conceived and passed in 2010. We believe that in addition to filling the budget holes in the coming years, projects in 2018, 2019, 2020 are at risk.

We urge you to halt the cuts to KDOT and support the full funding of the T Works program. It is a proven economic development program providing jobs and opportunities for businesses to succeed.

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