

HB 2382 Opponent testimony – in person  
House Taxation Committee  
Increasing motor fuels tax by 11 cents per gallon  
Dave Trabert - President  
March 23, 2017



Chairman Johnson and Members of the Committee,

We appreciate this opportunity to testify in opposition to HB 2382, which would increase the motor fuels tax by 11 cents per gallon

The motivation for this proposal stems from sales tax revenue being transferred back to the General Fund to balance the budget over the last few years, although the same has been done multiple times by previous administrations. In every such case, the transfer occurred because those Legislatures, like this Legislature thus far, would not balance spending with available revenue. Highway transfers were used so that government could continue to be grossly inefficient.

Here are a few numbers to consider:

- **\$1.112 billion** – the amount by which FY 2017 General Fund spending exceeds the inflation-adjusted level since 1995.
- **27 percent** – the percentage by which per-resident state spending exceeds that of states without an income tax and by which state government employment per 10,000 residents exceeds the national average.
- **20 percent** – the percentage of Kansans who support an 11 cent / 46 percent hike in the gasoline tax
- **Zero** – the amount of sales tax that would need to be transferred from the highway fund to the General Fund starting in FY 2019 if the Legislature has the courage to compel state government to operate a little more efficiently and/or use options such as tobacco securitization that would not reduce current funding for services.
- **Unknown but extensive** – the economic pain to be inflicted to be inflicted, particularly on those who can least afford it, if the motor fuels tax is increased so that government can continue to be grossly inefficient.

We oppose HB 2382 and encourage the Committee to do so as well.