



Written Neutral Testimony on HB2382

To: House Taxation Committee
From: Tom Robinett, Vice President of Public Policy and Advocacy
Overland Park Chamber of Commerce
Date: Thursday, March 23, 2017

Chairman Johnson and Members of the Committee:

Thank you for the opportunity to submit written testimony on behalf of the more than 800 business members of the Overland Park Chamber of Commerce.

The speed, reliability, capacity and overall effectiveness of the state's transportation systems are crucial for job creation, economic development, and business retention and expansion throughout Kansas.

The Chamber supports full implementation of T-WORKS, Kansas' 10-year Comprehensive Transportation Program (CTP) and protecting existing transportation funding sources, and opposes diversion or sweeping of funds from the Kansas Highway Fund. There was no fuels tax increase associated with the 2010 enactment of T-WORKS. In fact, there has been no change in the fuels tax since a \$0.01 per gallon increase on both gas and diesel occurred in 2003, part of increases over the five year period from 1999 t as part of the CTP that took gas tax from \$0.20 to \$0.24 per gallon and diesel from \$0.22 to \$0.26 per gallon. Adding to the challenge of adequately funding the T-WORKS program has been the regular sweeping of sales tax revenue from the Highway Fund, resulting in a significant decrease in both highway and transportation infrastructure maintenance, but indefinitely postponing scheduled projects across the state. These projects will only get to be more expensive as they are delayed.

For the reasons stated, the Chamber supports a reasonable fuels tax increase to provide additional protected revenue dedicated to the Highway Fund and use by the Department of Transportation, again acknowledging the importance of transportation infrastructure, both maintenance of existing and construction of new roadways and bridges, to the state of Kansas. The Chamber believes that an \$0.11 per gallon increase is too much at one time, so while we support the concept of such an increase, we suggest, and would support, a smaller increase, not exceeding the \$0.05 per gallon increase being proposed in SB224.