

## Kansas Aggregate Producers' Association Kansas Ready Mixed Concrete Association

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## TESTIMONY (Written)

Date:

March 17, 2017

Before:

Senate Assessment and Taxation Committee

By:

Jerry Younger, P.E., Managing Director, KAPA-KRMCA

Regarding:

SB 224

Madam Chair and members of the Senate Assessment and Taxation Committee:

The Kansas Aggregate Producers Association and Kansas Ready Mixed Concrete Association (KAPA-KRMCA) appreciates the opportunity to submit this testimony on SB 224 which proposes to raise the Kansas Motor Fuels Tax (MFT) by 5 cents per gallon.

It is positive to note that during this legislative session there have been options introduced to provide funding back into transportation investments. KAPA-KRMCA hopes this reflects a growing recognition that the past transfers out of the State Highway Fund (SHF) have not only caused indefinitely delaying \$500 million of regionally significant modernization and expansion projects but, even more importantly, now removes the ability to adequately fund the basic preservation activities needed to protect and maintain our current state highway system. The reality is that, based on KDOT's own analysis, \$380 million per year of preservation activities are needed to maintain the current condition of the system. Unfortunately, the investments in FY16 and FY17 fell well short of that \$380 million and the picture looks even worse for FY18 and FY19. If four consecutive years of not fully funding the basic preservation needs occur, two things will most certainly happen: 1) highways and bridges will be in worse condition than they are today, and 2) it will cost significantly more to address the roads and bridges that fall out of good condition.

KAPA-KRMCA does support the underlying premise in SB 224, that being dollars must be put back into transportation. And while a 5 cent MFT alone does <u>not</u> provide enough funding to meet the basic preservation needs, discussion of it, we hope, will lead to consideration of better options that provide both a short-term bridge for preserving the system today and then long term sustainability for addressing all transportation needs into the future.