



## TESTIMONY OF ECONOMIC LIFELINES REGARDING HOUSE BILL 2372

Chairman Johnson and members of the House Taxation Committee, thank you for the opportunity to provide comments regarding House Bill 2372.

I am Ed DeSoignie with Economic Lifelines.

House Bill 2372 is a product of the 2017 Legislative Transportation Task Force which held hearings throughout our state. HB 2372 would impose new fees on vehicles employing electric technologies which are projected to grow and eventually dominate surface transportation in our country.

The Budget Director's fiscal note on the bill estimates revenues of \$600,000 to the State Highway Fund in Fiscal Year 2020 based on current numbers of approximately 11,400 hybrid and 1,340 electric vehicles registered in Kansas. Based on various projections and future trend lines of both electric and hybrid vehicle growth in the United States, these estimates will grow in the coming years. As such, they can provide much needed revenues to the Kansas Department of Transportation for the maintenance and improvement of the State Highway System.

J.P. Morgan Research projections of future growth of electric and hybrid vehicles in the United States indicates we are on the verge of a rapid technological change with private passenger vehicles. Attached is an article concerning Ford Motor Company's commitment to hybrid and all-electric versions of their popular F-150 pickup truck.

Economic Lifelines believes that the need for a stable and consistent funding stream for the State Highway Fund is a high priority. We believe House Bill 2372 is forward-thinking in how we provide funding for our highway system, to ensure we have stable and consistent funding.

Thank you. I am available to answer your questions.