

Testimony of Don Cates
Chairman, Board of County Commissioners, Barton County
Before the House Committee on Appropriations
House Bill No. 2262
February 27, 2013

Mr. Chairman and Members of the Committee. I am Don Cates. I have been a Barton County Commissioner for three years and now serve as the Chairman of the Board of Barton County Commissioners. I live in Claflin, Kansas, and operate a service station and small restaurant there. I appreciate the opportunity to talk with you today concerning the County Oil and Gas Depletion Trust Fund.

I have listened to testimony from other county officials and will not repeat their testimony. I do agree with the comments made by Commissioners Braddock and Boaldin.

Barton County has the good fortune to have oil and gas production. Barton County derives about 20% of its revenue from taxes on oil and gas production. This revenue has assisted in enabling Barton County to keep a stable mill levy. The 2004 mill levy for Barton County was 33.945 mills. Ten years later, the mill levy is 34.865 mills, an increase of .92 mills. Over 10 years the mill levy has increased 2.7%.

Barton County received \$908,852.63 from the Oil and Gas Depletion Trust Fund in 2012 and immediately invested that money in one year Certificates of Deposit. At some point, oil and gas production will decline. At that time Barton County will use that money for the purpose intended by the legislature, to keep the mill levy as stable as possible in light of declining production.

I encourage members of the Committee to reject HB 2262.