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Scott Anderson
Hamm Companies
Perry, KS

RE: House Bill 2237
House Taxation Committee

Chairman Johnson and Members of the Committee:

I am Scott Anderson, Chief Operating Officer of the Hamm Companies in Perry, Kansas. The Hamm Companies is a local construction company that employs approximately 500 employees across NE Kansas. I also serve on the Board for the Kansas Contractors Association, a statewide trade organization whose members build most of the roads and bridges in the State of Kansas. Thank you for allowing me the opportunity to testify in support of House Bill 2237.

Kansas has a good history of having quality roads, but the recent diversion of sales tax money from the Transportation Fund to cover the State's General Budget shortfalls may have serious consequences, if not addressed. The State has a valuable asset of over 10,000 miles of roads, highways, and bridges... if not properly maintained they will crack and the structural integrity will be compromised ending in surface failure. This type of damage jeopardizes safety and will ultimately cost Kansas taxpayers substantially more to replace.

Over the last three years, 17 states have increased taxes on motor fuels to support these same needed transportation investments. However, Kansas is NOT one of them. Actually, Kansas has NOT had an increase in motor fuels tax for nearly 15 years. Over that same 15 years the cost to construct and maintain a mile of road has increased significantly. The motor fuel tax is essentially a *user fee* that is re-invested into Kansas Roads and Bridges, to provide a direct benefit to taxpayers and the local economy. It is these same Kansas roads that Businesses depend on every day for commerce.

Understandably, this motor fuel tax increase will not shore up the current highway program but it is a step in the right direction as we face these difficult budget decisions ahead. Thank you once again for the opportunity to testify in support of the increased motor fuels tax included in House Bill 2237.

Scott Anderson
Hamm, Inc.