

Kansas Economic Progress Council Suite 200 212 West 8th Topeka, Kansas 66603

Testimony to House Taxation Committee HB 2382 March 23, 2017 Bernie Koch - Executive Director - Kansas Economic Progress Council

Representative Johnson and members of the committee; thank you for the opportunity to submit written testimony in support of HB 2382.

The Kansas Economic Progress Council is a statewide not for profit organization of businesses, trade associations, and chambers of commerce. We support pro-growth policies for communities and the state, and as such, have been long-time supporters of T-WORKS and the previous comprehensive transportation programs of Kansas.

Credible research suggests that transportation is very important to expanding businesses. With 45,000 executive subscribers around the world, Area Development magazine is considered by economic developers the leading publication covering corporate site selection and relocation. For 30 years, Area Development has surveyed executives across the United States who make location decisions. In its latest survey of corporate executives, highway accessibility was the 2nd most important location factor behind availability of skilled labor.

The magazine said this in conjunction with the survey: "The importance of highway accessibility varies considerably by project. It's particularly vital for distribution centers and manufacturing facilities. Highway access is very important to projects that require an input and have some sort of output."

That applies particularly to agriculture and manufacturing, two very important areas of business in Kansas. These businesses are bringing in raw materials and sending out a finished product, and they depend on highway accessibility.

As an organization, we do not have a position on what revenue source you should use to shore up the T-WORKS program, but it does need serious attention and this bill moves Kansas in the direction of dealing with our lack of investment in infrastructure. We urge you to not forget the importance of transportation and the danger of not paying attention to it.

Kansas Economic Progress Council www.ksepc.org 212 SW 8th Avenue, Suite 200 Topeka KS 66612