

## CHAMBER OF COMMERCE

14 March 2019

Representative Steven Johnson

Chair, House Taxation Committee

Representative Johnson and Members of the Committee:

Thank you for the opportunity to provide testimony in support of HB 2372. The International Energy Agency has estimated that the number of electric vehicles on the road is likely to triple in the coming years leading to more than 13 million electric vehicles on worldwide roads by the end of the decade. With sales expected to climb as much as 24-percent per year on average it is very clear the popularity of alternate-fuel vehicles is rising.

This has a great, positive impact on the environment and bodes well for entrepreneurial companies who a working to tap into this growing market. However, for all the upsides to this new market there is also a downside to our transportation system that is funded, in large part, by gasoline taxes.

Whether they consume traditional fossil fuels or not, these vehicles still have an impact on our transportation system and should, in some way, contribute to the preservation and expansion of that system just as traditional motor vehicles do today. We are not advocating for a specific amount to be levied. We do ask that as you consider assessing a fee on alternate fuel vehicles you consider the assessments of our neighboring states and region so that some degree of equity exists for Kansas residents.

We also believe these fees should be dedicated solely to our state's transportation system. For many years diversions from the State Highway Fund have resulted in deteriorating road conditions leading to safety concerns and increased maintenance costs for vehicle owners due to increased wear and tear. Enacting this recommendation makes sense and helps support the very infrastructure that alternative-fuel vehicles utilize.

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