House Committee on Taxation

- TO: CHAIR: STEVEN JOHNSON VICE CHAIR: LES MASON Ranking Minority Member: Jim Gartner
 RE: HB 2543
- From: Steve Christenberry

Date: February 18, 2020

Chairman Johnson, Vice Chair Mason, Ranking Minority Member Gartner, and Members of the Committee.

I am Steve Christenberry, representing myself, and in general terms motorcyclists and others who own and use gasoline engines, as well as my fellow taxpayers in Kansas. I am a certified Motorcycle Safety Foundation (MSF) RiderCoach and the president of Smart Motorcyclists Attend Rider Training, Inc. Additionally, I am a life member of the American Motorcyclist Association and ABATE of Kansas, as well as the Motorcycle Riders Foundation for at least 20 years.

When I learned of HB 2543 and read it I was immediately concerned about its potential impact. As I understand statute 79-32,201, for which this bill is designed to amend, it primarily provides tax credits to individuals who purchase alternative-fueled vehicles and businesses that establish an alternative-fuel fueling stations.

I have three issues with this bill:

First, who ends up paying for the tax credits given to eligible entities? Is it not ultimately the taxpayer who pays these costs? My position is that the businesses who wish to sell this fuel should shoulder 100% of the costs of installing alternate-fuel pumps, not the taxpayer. This amendment would specifically add E15 and B10 fueling stations to those credits.

Second, E15 is not approved by the EPA for any motorcycle, virtually all cars, and all small gasoline engines and is opposed by the AMA, MRF, and ABATE. Why should we support a bill that may increase the availability of this fuel at the pump when it can seriously damage engines?

Third, I am concerned that E15 fueling stations will be a multi-fuel pump. Most pumps currently distribute E10 and medium and higher octane gasoline. If E15 is added to the choice of selections, and is sold at a lower cost, it will present a situation when many people will choose it based on cost, not on what it is suited for. My personal example is when my wife filled up our new Honda CRV with E15, solely because it was cheaper. We were lucky and with the dealer's assistance were able to mitigate the situation. You can bet that this story will happen increasingly with greater availability of E15, especially if available in existing multi-fuel pumps.

The same issue presents with B10. I've yet to see recommendations, but I sure don't want to destroy the diesel engines in my skid loader and tractor by choosing the incorrect type of fuel.

I encourage you to oppose this bill. Thank you for your time and attention to this important issue.

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