

## PROPONENT TESTIMONY ON HOUSE BILL 2460

House Taxation Committee  
February 3, 2020



Chairman Johnson and members of the committee, thank you for the opportunity to provide testimony in support of House Bill 2460. My name is Kim Alan Barnes, and I am a lifelong resident of Pawnee County. I have worked my whole professional life for one grain elevator located here in Pawnee County. During the last 46 years, I have worked in all areas of the grain industry, from receiving grain at the scale, to dumping and storing in the elevator, to shipping the grain to final destination, and accounting for purchase and sales as its current CFO.

My early carrier found me physically loading rail cars with grain going both domestically and export. In the mid 1980's, the Atchison Topeka and Santa Fe railroads announced they were going to abandon rail service to rural Kansas. Rail service was and is a vital part of moving our producers' product to market. That void would have negatively impacted the elevator as well as the whole economy. Thankfully, the short line railroads stepped in and maintained rail service to rural Kansas.

During the past 30 years, we have purchased the real property on which our grain elevators and other facilities reside. This means that we own and maintain many feet of actual rail track, which must be repaired and maintained. We support HB 2460 and the amendment proposed to extend the income tax credit to owners and lessees of rail siding located along Class II or Class III railroads.

**Background:** I am currently the CFO of the Pawnee County Coop, which has been in existence since 1905. In the last decade, we have shipped a total of 7,503 rail cars at 3,300 bushels per car equaling 24,759,900 bushels from our member owners. Without rail, this wheat would have had to be moved to market by semitrailers adding 27,511,000 more trucks on our highway system. The Coop also receives liquid and dry fertilizer by rail cars into our facility.

I remember in my early carrier loading rail cars of grain, which ultimately found its way to the Gulf and into world markets. Currently, we are loading 200 rail cars of wheat into the domestic market. Our Coop is using this time to move grain so that we can relocate two bunkers of milo for eventual delivery into the local and global economy.

Transportation is vital to the rural economy of Kansas. One can only imagine the total grain that has been shipped from Pawnee County Coop over the past 115 years. Along with the grain shipped, we have impacted our local economy through property taxes, utilities, employee wages and benefits. The future looks bright and promising for another 50 or more years.

Thank you for allowing me this opportunity to share insights with you on the impact and need for HB 2460 and the proposed amendment.

Cordially yours,

**Kim Alan Barnes, CFO, Pawnee County Cooperative Association**  
620-285-2161, [kimb@pawneecoop.com](mailto:kimb@pawneecoop.com)