

Kansas Must Live Within Its Means

By: Larry Halloran

The proposed legislative budget bills are in a conference committee to reconcile the Senate proposal with the House proposal. The full Kansas legislature will start its "Veto" session on Wednesday April 27th. This will be our only opportunity to influence the budget by which the state will be spending our money. Although, the state started out with a \$550 million deficit it increased state spending. This is the same thing that happened last year, in spite of not having enough money, the state spent even more. Also it appears that our Legislature has been deceiving us with some loose accounting practices as describe below. The bottom-line is the State (WE the People) are even worse off than we have been lead to believe and unless we stop them the Legislature will pull the same trick this year including increasing spending.

There are actually two budget numbers or Kansas budgets, but we usually only hear about one, the State General Fund (SGF). The other is the All Funds Budget (AFB). The SGF includes education, SRS and Medicaid which gobble up close to 85% of that budget.

The current House budget reflects a cut in the All Funds Budget (AFB) of about \$900 Million but reflects a sharp increase (6% or \$488 Million) in the SGF Budget. Most of the increase is primarily due to additional UNFUNDED federal mandates on Medicaid and Education expenditures and the loss of federal stimulus money that was used to prop up the budget last year. These are the crippling expenses that are long term, never go away and will put our state into bankruptcy if we do not get them under control.

The current budget proposal contains:

\$245 Million for Human Services (approx. \$200 Million for expansion of Medicaid as required by "Obama Care" and \$45 Million for increased SRS case loads.

\$60 Million "Maintenance of Effort" funding required by the Feds for Special Education

\$69 Million increase in state deposits to the bankrupt KPERS system in an effort to begin closing the 9.3 Billion unfunded liabilities in that program.

\$41 Million (deposit) which is a statutory rate increase to KPERS that was supposed to have been made in previous years but was delayed until 2012 as a budget gimmick to balance a previous year's budget

\$44 Million for Corrections (Corrections is in that last 15% of the SGF that in previous years has taken a pounding to continue funding the increases in education, SRS and Medicaid).

State Aide for (Education) Capital improvements is another area of the SGF budget that our legislators have lost control over (by basically granting a blank check) in one of the school funding formulas to accept this obligation without knowing what the cost were in advance or in the future budget years.

The 2011 state obligation for these local bond principle and interest payments was \$94.6 Million. The 2012 obligation is a nice round \$100 Million. I don't know about you - but I do not want to pay for schools in another community, period.

Bottom Line:

We have a very serious budget problem caused by our legislators' budget gimmicks and our legislators must hear from us. We must make the decision to end the spending and direct them to act. Silence will not resolve the problem.

Kansas has its very own Fannie Mae and Freddie Mac called the Department of Transportation and we are about to use it to implement a major portion of Obama Care by expanding Medicaid with borrowed money. Once implemented, what is the chance of scaling it back or getting rid of it? We should stop or at least slow down as much as possible, the implementation of Obama Care. Attorney General Schmidt has filed a federal law suit saying Obama Care is unconstitutional. At least two federal courts have found it unconstitutional.

For years the state has been plundering the DOT cash reserves (illegally in my opinion)(See the statutes at the end of this report.) to pay for other

services and provide the appearance of a balanced budget when in TRUTH it was never balanced.

Both past and present administrations have sought the use of Department of Transportation funds to close budget shortfalls in the State General Fund (SGF). Close to \$300 Million was ultimately transferred from Transportation to the SGF for fiscal years 2010 and 2011 under Governor Parkinson and now Governor Brownback wants to tap Transportation for another \$200 Million for 2012. The problem is the Kansas State Constitution appears to prohibit this type of fund manipulation.

What we are and have witnessed is a failure of the executive and legislative branches to man up to the job they signed on for. Instead of meeting their fiduciary responsibility to the citizens and taxpayers of Kansas by living within our means they have resorted to their bigger brother's practices of robbing dedicated moneys from other accounts to grow government and present a balanced budget. The budget in recent years was grossly flawed and based on greatly exaggerated projected revenues (see the KPI article below). To make matters worse, they have surrendered the sovereignty and budget authority of the state to the federal marauders for a few pence today and now spend their days in committee searching for programs that yield more federal dollars. As an example, for years Kansas rejected the federal seatbelt requirements but when \$12 Million was made available to the poor boys it somehow became fashionable.

Isn't it ironic that there was a time in our history when the State was the big brother and represented the party to be emulated? What happened to our resolve? What happened to the states liberal protection of individual liberty?

What we are bound to hear in the next few weeks is that another funding source (a percentage of the sales tax revenue, which is true) was earmarked for the DOT and they were only redirecting it to the SGF. Well, I disagree with their ability to accomplish this feat as well with or without an enabling act (that we have not yet found but are requesting). The portion of the sales tax was earmarked for specific transportation work as evidenced by the cancelled projects that could not be completed without those funds. Now that the

moneys dedicated for these projects were spent elsewhere; will we be expected to pay yet again?

The Kansas Constitution does not permit our legislators to create a tax and then later create a purpose for the tax. It is quite the opposite in reality. A purpose must first be identified and approved by the legislature or the voters and then a funding mechanism (tax) can be created and designated for that specific purpose only. Too view the intent of the Kansas Constitution in any other way would suggest that our legislature could create a future use slush fund at anytime they wished. The purpose of the statutory 7.5% ending balance (prudent reserve) would preclude the need for a slush or rainy day account. The purpose of dedicated taxes for dedicated purposes is designed to prevent the very kind of fund manipulation that has occurred. Shortcuts for the general welfare of people or due to time constraints are not acceptable in lieu of adherence to constitutional principles.

Living large and taking on new obligations during a depressed economy is irresponsible at best. Delaying statutory payments and manipulating dedicated accounts to grow government or expand entitlements on borrowed money or without future funding sources is unconscionable.

No amount of government will ever eliminate the hardships of life but it can certainly aggravate them. It is time to end the nanny state. More importantly, it is time to participate in our own governance. It is a personal responsibility for which there is no substitute.

Please plan to Join US at the State Capital

**"Not Yours to Give" Capital Rally
Thursday, 10:00am – 2:00pm
April 28, 2011
Topeka, KS**

***"The Constitution is not an instrument
for the government to restrain the
people, it is an instrument for the
people to restrain the government"***

--Patrick Henry

Kansas Governor Seeks Road Project Cuts; Proposes Taking \$87 Mln. From Highway Fund

By Fuetsch, Michele

Publication: [Transport Topics](#)

Date: [Monday, March 15 2010](#)

<http://www.allbusiness.com/government/government-bodies-offices-heads-state/14584376-1.html>

Kansas Gov. Mark Parkinson (D) has asked legislators to agree to cancel state road projects for next year and for the remainder of the current fiscal year to offset severe budget shortfalls.

Parkinson said the cancellations are necessary because, to balance the budget, he must move \$87 million from the highway fund to the state's general fund, a transfer that stunned Transportation Secretary Deb Miller, she said in a written statement following the governor's announcement.

The cancellations, Miller said, mean the "burden of balancing the state budget has fallen very heavily on the construction industry."

In his March 5 announcement that he would seek the budget changes, Parkinson said he has a \$106 million hole in the current state budget that has to be plugged over the next four months as the state strains to reach the end of this fiscal year on June 30.

Tax revenues have dropped "substantially" in the recession, said Thomas Whitaker, executive director of the Kansas Motor Carriers Association.

"We're not alone," Whitaker said. "Just about every state is in this predicament."

The one saving factor for road maintenance, DOT director Miller said, is that the federal economic stimulus money coming to the state still would allow Kansas to do \$112 million worth of road projects this summer.

If the Legislature agrees to Parkinson's budget shift, \$28 million worth of planned maintenance projects on roads would be eliminated during the remaining months of this fiscal year.

In all, Miller said, that cut would bring the total reduction in transportation this year to \$257 million.

For the fiscal year that begins July 1, \$59 million in projects would be canceled.

Transportation funds in Kansas (our sources) come from, Whitaker said: sales taxes, fuel taxes, vehicle registration fees and the federal government.

Under the state constitution, fuel and registration fees are dedicated to transportation and cannot be shifted, Whitaker said. Sales tax revenue earmarked for transportation, however, can be shifted to the general budget.

That provision has made the transportation fund the state's "rainy day" fund, Whitaker said. To help offset the decline in revenue, the governor is asking the Legislature again to adopt a primary seat-belt law, which would garner \$10 million in federal money.

Like several states, Ohio and Colorado among them, Kansas has refused to agree to ticket people for not wearing seat belts. They can be ticketed for not buckling up only if they are stopped for another violation.

Trucking supports the governor's position on seat belts, and truck drivers already are required to wear the belts, Whitaker said.

Earlier attempts to have Kansas adopt a primary seat-belt law have failed, with the state Senate agreeing to such a law but the lower house refusing to go along.

Kansas Governor Proposes \$200M Withdrawal from State Highway Fund

<http://www.aashtojournal.org/Pages/012111kansas.aspx>

January 21, 2011

Kansas Gov. Sam Brownback last week proposed using \$200 million in funds set aside for highway projects to prop up general government programs.

Brownback's proposed budget would transfer the highway funds into the state's main bank account, where it can finance aid to public schools, social services, and other programs, The Associated Press reported. The transfer would help close the nearly

\$500 million budget gap the state faces for Fiscal Year 2012.

Landon Fulmer, the governor's policy director, told the House Appropriations Committee that it would be a one-time transfer. Fulmer added the transfer would not change the 10-year, \$8.2 billion transportation program approved by legislators last year.

Kansas Transportation Secretary Deb Miller sent a letter to stakeholders in the state informing them of the budget proposal.

"You may not be surprised to learn that the state is still faced with the same challenges as the last two fiscal years -- significant budget shortfalls -- and once again, the State Highway Fund is needed to help the state budget," Miller wrote. "The good news is that KDOT can still honor the promises made under [the 10-year transportation program] T-WORKS, thanks to low bid prices and low inflation rates."

Miller's letter continued, "If we are to deliver T-WORKS, there's no room left for future transfers from the State Highway Fund to the State General Fund and we have to hope that our inflation assumptions are conservative enough. Should inflation begin growing sooner or grow faster than estimated or any additional losses of revenue occur, projects will be affected."

Originally, KDOT planned to spend about \$450 million annually in preservation over the next 10 years to maintain state highways at a high performance level. Because of the savings KDOT has been experiencing due to low to no inflation, the department anticipates being able to do the same amount of work for an annual average cost of \$420 million over the next 10 years -- a savings of \$300 million from original projections assuming inflation remains at 0% for the next two years and future inflation is equal to or less than the assumed inflation rate of 3.5% for 2013-15 and 4.5% in 2016 and beyond.

KDOT Releases 10-Year Performance Report

Earlier this month, KDOT released a report on its activities for the 2001-10 decade, calling the period "a decade of projects, progress, and engagement."

The decade began as KDOT was embarking on the Comprehensive Transportation Program and ended with the May 2010 passage of the T-WORKS strategic program. (T-WORKS stands for "Transportation Works for Kansas"). In between

were 5,700 road projects undertaken, 900 bridges replaced or repaired, more than 1,000 miles of rail track rehabilitated, new runways paved across the state, and tens of thousands of jobs created or sustained.

"The support of the state's leaders and dedication of KDOT workers helped us build a highway system ranked the nation's best," Miller said in a statement issued with the report. "As a result, Kansas is well-positioned to seize the opportunities that will come with economic recovery."



Commentary: Kansas Budget Should Follow the Law

By Dave Trabert

<http://kansaspolicy.org/pressroom/commentary/73093.aspx>

State law says the Governor and Legislature must target year-end General Fund balances equal to 7.5% of expenditures and demand transfers. Unfortunately, elected officials have ignored this law for several years, routinely voting to spend more and run the ending balance down to zero - or worse.

None of the FY 2012 budget proposals have an ending balance even close to what the law requires. The House version recommends an ending balance of about \$80 million; the Senate and Governor both propose less than \$10 million. In order to comply with state law, the ending balance would have to be at least \$450 million.

We don't need to cut spending to have a legal ending balance, just hold it at this year's level. Regrettably, the budgets proposed by the House and Governor both increase spending by about \$390 million and the Senate wants spend \$462 million more next year. There are required spending increases on Medicaid and having to comply with stimulus-related federal spending requirements present challenges, but we cannot

afford to spend 7% or 8% more as currently proposed.

It's not just a matter of following the law; the anticipated ending balances in all proposed budgets for FY 2012 are likely already gone. Each budget uses revenue estimates from the Consensus Revenue Estimating Group (CREG), composed of representatives from the departments of Revenue, Budget, Legislative Research and consulting economists from three state universities.

CREG first estimated FY 2012 revenues in November 2010. Their initial estimates for the last two completed budget cycles (FY 2009 and FY 2010) were high by 10.4% and 11.4%, respectively. Estimates for income tax collections were even farther off, at 19.6% and 26.9%. Estimates for sales and other taxes were closer to reality but still on the high side. In dollar amounts, total tax revenues were over-estimated by \$678 million and \$891 million, respectively.

Our [complete analysis](#) of revenue estimates is posted on the KPI web site. This is not intended as criticism of the individuals involved; estimating tax revenues in a weak or declining economy is not easy and estimates cannot account for new legislation that can affect the accuracy final results. However, at least the timing and frequency of estimates should be reviewed to ensure that elected officials receive more current information for budget deliberations.

That said, missing the mark is not a recent phenomenon and we need to face reality. Some years have been considerably off on the high side and others have been well below actual results, with only two of the last ten years coming within 3 percentage points of being accurate. The FY 2012 tax revenue estimate would only have to be high by 1.37% to wipe out the \$80 million ending balance proposed by the House.

If remaining collections come in at the same rate as the first nine months of this year, tax revenue would be \$82 million short. Hitting the tax estimate for FY 2012 would therefore require total tax receipts to rise 5.9% next year, including a 5.8% increase in individual income tax and a 28.1% increase in corporate income tax. Given that private sector employment fell again in January and February and that retail activity has been essentially flat this year, the revenues in next year's budget seem overly optimistic.

Budgeting for large spending increases, having relatively no ending balance and hoping for a sudden surge in tax revenue is largely to blame for this financial crisis. So the plan is to do it again? Spending within our means and having a sizeable ending balance to cover revenue shortfalls and other emergencies is sound fiscal policy. It's also the law.



Political Statistics

By Thomas Sowell | April 05, 2011

When someone gives you a check and the bank informs you that there are insufficient funds, who do you get mad at? In your own life, you get mad at the guy who gave you a check that bounced, not at the bank. But, in politics, you get mad at whoever tells you that there is no money.

One of the secrets of the growth of the welfare state is that politicians get a lot of mileage out of making promises, without setting aside enough money to fulfill those promises.

When Congress votes for all sorts of benefits, without voting for enough taxes to pay for them, they get the support of those who have been promised the benefits, without getting grief from the taxpayers. It's strictly win-win as far as the welfare-state politicians are concerned. But it is strictly lose-lose, big-time, for the country, as deficits skyrocket.

Anyone who says that we don't have the money to pay what was promised is accused of trying to destroy Social Security, Medicare or Obamacare -- or whatever other unfunded promises have been made. It is like blaming the bank for saying that the check bounced.

It is the same story at the state level as in Washington. The lavish pensions promised to members of public sector unions cannot continue to be paid because the money is just not there. But who are the unions mad at? Those who say that the money is not there.

How far short are the states? It varies from one state to another. It also varies with how large a rate of return the state gets on its investments with the inadequate amount of money that has been set aside to cover its promised pensions.

A front page story on the March 28th issue of Investor's Business Daily showed plainly, with bar graphs, how big Florida's shortfall is under various rates of return on that state's investments. Florida's own estimate of its pension fund's shortfall is based on assuming that they will receive a rate of return of 7.75 percent. But what if it turns out that they don't get that high a return?

A 6 percent rate of return would more than triple the size of Florida's unfunded liability for its employees' pension. The actual rate of return that Florida has received over the past decade has been only 2.6 percent. In other words, by simply assuming a far higher future rate of return on their investments than they have received in the past, Florida politicians can deceive the public as to how deep a hole the state's finances are in.

Political games like this are not confined to Florida. State budgets and federal budgets are not records of facts. They are projections based on assumptions. Just by manipulating a few assumptions, politicians can create a scenario that bears no resemblance to reality.

The "savings" to be made by instituting Obamacare is a product of this kind of manipulation of assumptions. Even when the people who turn out the budget projections do an honest job, they are working with the assumptions given to them by the politicians.

The fact that the end results carry the imprimatur of the Congressional Budget Office-- or of some comparable state agency or reputable private accounting firm-- means absolutely nothing.

When Florida arbitrarily assumes that it is going to get a future rate of return on its pension fund investment that is roughly three times what its past returns have been, that is the same nonsense as

when the feds assume that Congress will cut half a billion dollars out of Medicare to finance ObamaCare.

We would probably be better off if there were no Congressional Budget Office to lend its credibility to data based on hopelessly unrealistic assumptions fed to them by politicians.

One of the reasons why a federal "balanced budget" amendment is unlikely to do what many of its advocates claim is that a budget is just a plan for the future. It does not have to bear any resemblance to the realities of either the past or the future.

We do not need reassurances that do not reassure, whether these reassurances are in numbers or in words. No small part of the reason for the economic collapse we have been through is that federally designated rating agencies reassured investors that many mortgage-backed securities were safe, when they were not.

Not only investors, but the whole economy, would have been better off without these reassurances. "Caveat emptor" would be better advice for both investors and voters.

Plan to attend the

South Central Kansas Legislative Forum

Saturday

April 23, 2011

9:00-11:00 am

At the

**WSU
Hughes Metroplex
21st & Oliver**



KPERS - A Comprehensive Reform of the Kansas Public Employees Retirement System

Barry W. Poulson, Ph. D.
Professor of Economics (ret)
University of Colorado

To view the full report:

<http://www.kansaspolicy.org/researchcenters/budgetandspending/budgetandspendingstudies/d71799.aspx?type=view>

Executive Summary

The extent of Kansas' public employee retirement system funding crisis is likely to be considerably worse than commonly understood. KPERS uses actuarial asset values to estimate unfunded liabilities in the plan at \$7.6 billion, which puts the funded ratio at 64% (actuarial asset value divided by actuarial liabilities). However, the (permitted) method used to calculate the actuarial value of assets does not fully account for market activity, allowing for market losses to be recognized over a period of years rather than as they occur. The actuarial asset values do not include \$1.7 billion in real losses that have already occurred. Using the current market value of assets as disclosed by KPERS, unfunded liabilities are \$9.3 billion and the funding ratio falls to 56%.

Unfortunately, the true nature of the unfunded liability is likely much worse. KPERS assumes an 8 percent rate of return on assets, which even they now acknowledge is unlikely and are considering lowering the assumed rate of return on assets. Their actuaries estimate that lowering the assumed rate of return from 8 percent to 7.5 percent would increase unfunded liabilities by another \$1.3 billion.

Given the magnitude of unfunded liabilities in KPERS, the employer contribution rates that would be required to meet these pension

obligations and the economic consequences of meeting the future cost of the existing defined benefit plan would be severe. Employers in the state/school plan currently contribute 9.37 percent of payroll. To fully fund that part of the plan at the market value of assets employers would have to contribute 15.26 percent of payroll. Employer contributions into the state/school plan would have to increase from \$393 million to \$640 million annually, a 63 percent increase. Kansas legislators are not likely to find an additional \$247 million in the current budget to fully fund the KPERS pension plan; and they are even less likely to find the money to fully fund the plan in future years as unfunded liabilities accumulate, especially if the plan fails to generate the projected 8 percent rate of return on assets.

Kansas must enact pension reform quickly to ensure the future viability of the system and to prevent catastrophic funding shortfalls in the near future. This study proposes a menu of comprehensive reform of the KPERS plan based on successful pension reforms enacted in other states.

- Freezing participation in the existing defined benefit pension plan and requiring new employees to enroll in a defined contribution plan, or in a hybrid plan offering a defined contribution and defined benefit plan.
- Increasing Employee Contribution Rates
- Decreasing Cost of Living (COLA) Adjustments
- Increasing the Retirement Age and Years of Service Required to Qualify for Retirement Benefits
- Increasing Vesting requirements
- Modifying the Salary Base and Multiplier Used to Calculate Final Average Salary (FAS)

A Very Special

“Thank You”

To

Steve & Bonnie

They carried the weight of preparing & mailing our newsletter for the past two years. As they turn this responsibility over to the group WE thank them from the bottom of our hearts.

We the People Event

“Not Yours to Give”

Just whose money is it?



**Say NO to Government Charity &
Lawless Over Spending**

Capital Rally

April 28, 2011

10:00 am ~ 2:00 pm
South Side

**Kansas State Capital
Topeka**



Event Speakers

Rep. Charlotte O’Hara “Federal control of the state through the state budget”
Dist. 27 Overland Park

Larry Halloran “Government Charity, the Constitution and the Rule of Law”
Chairman, Wichita South Central 9-12 Group

Dave Trabert “Kansas Budget Policy and Spending Habits”
President, Kansas Policy Institute

Rep. Kasha Kelley “House Budget”
Dist 79, Vice Chair, House Appropriation Committee

Sen. Ty Masterson “Spending Restraints – Tax Reductions (SB-1)”
Dist 16, Senate Ways & Means Committee

Richard D. Fry, “Govt. Lawlessness and Implementing Obama Care”
General Counsel-Patriots Coalition

Angelo Mino “Reason to Become a New Born American”
Born in Ecuador – MADE in America

Derrick Sontag “History of a Growing Kansas Budget”
KS State Director, Americans for Prosperity

Rep. Lance Kinzer “Court of Appeals Legislation”
Dist. 14, Chairman, House Judiciary Committee

And others.....

November Patriots'

Fact Sheet:

Constitutional Budgeting Requirements in Kansas

1. Under the Kansas Constitution, taxes may only be levied by law and such law must “distinctly state the object” [purpose] of the tax, and the tax collected under such law may only be used for the purpose specified.ⁱ
2. The Statewide “Kansas Retailers’ Sales Tax” (KRST) is provided for in K.S.A. 79- 3603 which establishes various rates for various periods of time.
3. The KRST tax is designated for different objects / purposes in K.S.A. 79-3620 which include part of such being designated for the State Highway Fund (SHF).ⁱⁱ
4. Under the Kansas Constitution article 11 §10, the state is given the authority to “levy special taxes” on “motor vehicles” and “motor fuels” “for road and highway purposes”.ⁱⁱⁱ Note this section does not limit the state to only tax “motor vehicles” and “motor fuels” for “road and highway purposes”. Nor does it expressly limit taxes collected on such to be limited to such object i.e., “road and highway purposes”. However, Constitution Article 11 §5 does limit the use of a tax collected to the “distinctly state[d]... object” [purpose] of the tax, whatever tax that might be.
5. That portion of taxes collected under K.S.A. 79-3603 which are designated for “the state highway fund...” under K.S.A. 79-3620, may only be used for “road and highway purposes” pursuant to Article 11 §5 of the Kansas Constitution.
6. The government may not take funds from the Kansas Highway Fund to be used for purposes other than for purposes of the SHF i.e., for “road and highway purposes”.

“Informed Voters, Informing Voters”

http://groups.yahoo.com/group/November_Patriots/

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ⁱ Kansas Constitution Article 11 §5

“**Object of tax.** No tax shall be levied except in pursuance of a law, which shall distinctly state the object of the same; to which object only such tax shall be applied.”

ⁱⁱ 79-3620. Disposition of moneys; sales tax refund fund; **credit to state highway fund**; credit to city bond finance fund; intermodal facility district, definition, disposition, requirements and procedures for certain sales tax revenue on utility sales.

c) (1) The state treasurer shall credit 5/98 of the revenue collected or received from the tax imposed **by K.S.A. 79-3603**, and amendments thereto, **at the rate of 4.9%**, and deposited as provided in subsection (a), exclusive of amounts credited pursuant to subsection (d), **in the state highway fund.**

It provides the same designation for various periods and tax rates as follows:

(2)...shall credit 5/106 of the revenue collected... at the rate of 5.3%... in the **state highway fund.**

(3) On July 1, 2006... shall credit 19/265 of the revenue collected... at the rate of 5.3%..., in the **state highway fund.**

(4) On July 1, 2007... shall credit 13/106 of the revenue collected... at the rate of 5.3%... in the **state highway fund.**

(5) On July 1, 2010... shall credit 11.427% of the revenue collected... at the rate of 6.3%... in the **state highway fund.**

(6) On July 1, 2011... shall credit 11.26% of the revenue collected... at the rate of 6.3%... in the **state highway fund.**

(7) On July 1, 2012... shall credit 11.233% of the revenue collected... at the rate of 6.3%... in the **state highway fund**, as well as such revenue collected and received at the rate of 6.3%, after June 30, 2013.

ⁱⁱⁱ Kansas Constitution Article 11 §10

Special taxes for highway purposes. The state shall have power to levy special taxes, for road and highway purposes, on motor vehicles and on motor fuels.