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Low Gas Prices Could Stimulate KS Economy

TOPEKA, Kan. (AP) - Although falling gas prices are reducing the amount of oil severance taxes Kansas is expected to collect, state lawmakers say there's a bright spot to the otherwise dim projections. Residents will have more money in their pockets to spend on other things. Kansas Legislative Research Department economist Chris Courtwright appeared Tuesday before the House Appropriations Committee. He says forecasters in November revised their estimate of how much severance tax money would come in by nearly \$8.2 million, based on oil prices of \$80 a barrel. But with the price of Kansas oil at \$35.75 a barrel as of Tuesday, Courtwright says severance tax receipts are bound to go much lower. He says there's a chance the low prices could stimulate the economy and raise tax revenues elsewhere.

Associated Press