



**The Greater Kansas City Chamber of Commerce
Support for HB 2689
Thursday, February 20, 2020
House Committee on Commerce**

The Greater Kansas City Chamber of Commerce (KC Chamber), representing nearly 2,000 businesses (40% in Kansas), and its Board of Directors support House Bill 2689 to extend the sunset of the Angel Investment Tax Credit from 2021 to 2026 and urge this committee to pass this bill with a favorable recommendation.

The Angel Tax Credit Program is an important tool for Kansas investors and early stage companies. The program is a vital resource in generating jobs for small business in the Kansas City region and across the state and in turn supports economic growth so important to the state. As of 2018, more than 3,000 angel investors have utilized this program to help small businesses grow. This program has helped raise over \$450 million in capital, provide for over \$217 million in payroll, and generated over \$355 million in revenue. The Angel Tax Credit Program is also a jobs producer, and equally important, a jobs saver. From 2005-2018, this program has helped create over 1,900 new jobs and help save over 600 jobs in the State of Kansas.

The Kansas Angel Tax Credit has been a leading model for increasing angel investments and a beacon that tells investors Kansas is serious about supporting entrepreneurial growth and startups. Because the credits are transferable, the program encourages out-of-state investors to provide private capital to Kansas companies at a much higher rate than they otherwise would. The KC Chamber encourages Kansas policymakers to continue to leverage this economic advantage for investors. It would be unfortunate for Kansas to lose such a valuable recruitment tool that makes the state competitive for business investment and to lose a tool that other states have replicated.

The KC Chamber recognizes that small businesses are the backbone of our economy and that giving these businesses the resources to grow is critical for the survival of these businesses. The KC Chamber represents business leaders, entrepreneurs and investors who believe that continued deployment of the Angel Investment Tax Credit is essential to continued growth of our entrepreneurial ecosystem and will promote faster commercialization of innovations and help create new jobs and future revenue for the State of Kansas. The KC Chamber urges this committee to support HB2689.

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