



House Committee on Commerce, Labor and Economic Development

Testimony in Support of Senate Bill 91

Presented by Eric Stafford, Vice President of Government Affairs

Wednesday, March 17, 2021

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. We appreciate the opportunity to testify in support of Senate Bill 91 which allows entities to sell, or transfer, up to 50% of their HPIP credits to another taxpayer or entity. This bill if passed would apply to new projects only. SB 91 passed the Senate by a vote of 34-5.

HPIP has been one of our state's most effective economic development incentive programs. HPIP offers a 10% income tax credit for capital investments of more than \$50,000 (\$1,000,000 in five metro counties), a sales tax exemption for the capital investment on their qualified facility, and a training tax credit up to \$50,000.

Paired with SB 65 heard by this committee last week, these two changes are positive changes for one of the state's most utilized economic development incentive tools. Transferability of HPIP credits is something our members have desired to see for some time, and we appreciate the department for bringing this proposal.

We appreciate the opportunity to testify in support of Senate Bill 91. This is a positive change to the state's HPIP program and we would respectfully ask for your support of the bill. I am happy to answer any questions at the appropriate time.