GREAT PLAINS DEVELOPMENT AUTHORITY

21101 Scott Road, Parsons, KS 67357 Phone: (620) 421-1228

House Commerce Committee Written only Testimony in Support of HB 2471 By Brad Reams

February 29, 2024

To The Honorable Sean Tarwater, Chair, and Members of the House Committee on Commerce, Labor and Economic Development:

HB 2471, The Transformation of Passenger and Freight Vehicle Industry Act can be a game changer for Kansas. In my role as Director of the Kansas Proving Grounds and Great Plains Industrial Park, I speak with multiple companies who are considering an investment in Kansas and are members of the EV or Hydrogen industry.

The incentives outlined in the bill are attractive to those seeking a location to produce passenger and freight vehicles or act as a supplier in this ecosystem. Similar incentive packages with lower minimum capital investment requirements have been successful in drawing companies to North and South Carolina. While much has been publicized related to new EV production sites, Kansas has an opportunity with this bill to further capture of the EV and hydrogen economy beyond the few companies which exist in Kansas today. Supply chain integrators would cluster similar to the vehicle industry in the Southeast United States or the aviation cluster in Wichita. Kansas should take advantage of the presence of Panasonic, Orange, and Ford to create these clusters. As a member of the Missouri S&T Critical Materials Consortium, I know states like Missouri are undertaking efforts to land the specific companies Kansas is targeting with this legislation.

Kansas has an even greater opportunity with hydrogen companies. No state has successfully captured all of the companies and their supply chain. Oklahoma has portions with GTI, LSB, Chart, and Plug Power. This bill's commitment to supporting training can make a difference in recruiting these companies. While behind EV production in scale, the investment in the hydrogen economy is increasing and Kansas should be ready to take advantage of the future growth. Hydrogen's emergence in the heavy equipment and material handling sectors allows Kansas to tout its existing companies like Manindra and Kubota to encourage others to land in Kansas. GPDA has developed relationships with companies in all areas of the hydrogen ecosystem. They desire the renewable power, plentiful water, and ample amounts of land necessary for hydrogen vehicle production facilities. This bill would greatly assist our efforts to recruit additional companies to our mega site, the only carbon neutral industrial park in North America.

This bill can address not only recruitment of companies to Kansas, but also encourage expansion of existing businesses. For this and reasons previously stated, I am very supportive of passage and implementation of The Transformation of Passenger and Freight Vehicle Industry Act.

Sincerely,

Brad Reams

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Director

Great Plains Industrial Park/Kansas Proving Grounds

