

Janet Gardner, Kansas, Inc. Board Member and President of Local 6407 Communication Workers of America spoke in support of the bill stating that Kansas must focus on creating adequate seed and venture capital resulting in new and higher paying jobs for today's and tomorrow's workers ([Attachment 4](#)).

Mitchell Woolery, Partner, Polsonelli, White, Vardeman & Shalton, testified on his own behalf and not as a representative of the Firm or any of its clients. He reviewed the securities laws and the types of persons who are eligible to invest in Capco's as outlined in a general overview of regulation and specific types of exemptions ([Attachment 5](#)). Discussion followed regarding the success of venture capital projects in Colorado.

David Frankland, President, Digital Archaeology spoke about his companies need for venture capital, which was secured through a Capco Program in Missouri, resulting in the company's relocation to that state. He stated that unless the Legislature acts now to provide venture seed capital, there will be an exodus of companies that together have the potential to revolutionize the economy of Kansas and prepare it to compete successfully in the 21st Century ([Attachment 6](#)). Chairman Mason congratulated him on the success of his company and thanked him for his testimony and support for venture capital legislation.

John Fowler, President, KCCI spoke in support of **HB 2688**. The Chamber of Commerce believes the state's commitment to improving venture capital opportunities can be the difference in a vision becoming reality in Kansas, a viable enterprise leaving Kansas for another state, or never being more than a vision ([Attachment 7](#)).

Phil Thomas, an attorney in private practice, representing over 12 existing Capcos on a nationwide basis presented an overview on Certified Capital Companies including the history, mechanics, typical investment schedules and key differences between CAPCO and **HB 2866**. He presented his conclusions as well as data pertaining to Capco experience in five states, Louisiana, Missouri, New York, Wisconsin and Florida ([Attachment 8](#)). Discussion followed regarding the size of qualified business, the inclusion of a variety of investors and the time frame of fund raising.

Chairman Mason closed the hearing on **HB 2688**. He recommended that those committee members with questions, suggestions or changes, concerning the bill, contact, Charles Ranson and the revisor.

Discussion followed about the Louisiana Law. Mr. Nugent has a copy of that law in his office for those interested..

The next meeting is Tuesday, February 1.

Chairman Mason adjourned the meeting at 5:30 p.m.