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Antonio J. Soave, Secretary

Sam Brownback, Governor

Kansas Department of Commerce Bill HB2409

Prepared for House General Government Budget Committee Mar. 23, 2017, 1:30 p.m.

HB 2409: Prohibiting state contracts with companies that are engaged in an anti-Israeli boycott.

Position:

The Kansas Department of Commerce, absolutely unequivocally supports HB 2409. Israel is a strong trade partner with Kansas. In 2016, Kansas exported \$56,681,800 in total commodities, while importing \$83,650,853. It is in the best interest of Kansas to continue our strong trade relationship with Israel. Any company openly boycotting Israel and its products, is openly boycotting a Kansas trade partner and ally, an action Secretary Antonio Soave and the Department of Commerce feels provides enough merit to prevent as a state vendor.

It is not only our trade that is important to protect, as we have multiple companies from Israel that have decided to make Kansas their home. The companies range in fields but here are a couple of our biggest success stories:

- TEVA Pharmaceuticals- Opened a \$46 Million 156,000, Square foot headquarters in Overland Park in 2013. They're world leaders in the manufacturing of pharmaceuticals and innovators in Bioscience.
- ICL Performance Products- Located in Lawrence, ICL specializes in phosphate-based engineering and production. ICL Performance Products makes products that increase global food and water supplies and improves industrial materials and processes

The Department of Commerce strongly believes in working with trade partners that are innovators in so many crucial developing areas. We continue to look for additional avenues to pursue with Israel, as there is much to gain from the country's advancement in agriculture, water technology, cyber security, and high tech industries, among others. We have already begun discussions on collaboration on multiple fronts that will benefit both parties tremendously.

The implementation of what the BDS movement is attempting to achieve is the illegal discrimination on the basis of nationality. The Kansas Department of Commerce holds the view that it is important to make decisions free of discrimination. Companies practicing such discrimination do not stand for what Kansas or the United States believe in.

For all of the reasons stated above and more, it is imperative to vote for HB 2409. It is in our financial interest to continue our strong trade partnership with Israel, advocate for our ally and protect against the discrimination of companies who have decided to make a financial investment in Kansas. The Kansas Department of Commerce proudly stands by Israel and we encourage the Legislature to do the same with HB 2409.