

To: Senate Commerce Committee, Senator Julia Lynn, Chairperson

From: Ryan Flickner, Kansas Farm Bureau

Date: February 6, 2018

Re: HB 2168- Enacting the Ad Astra Rural Jobs Act

Good morning Chairman Lynn and members of the committee, I appreciate the opportunity to present written testimony on behalf of the Kansas Farm Bureau (KFB) in support of HB 2168. KFB is the state's largest general farm organization representing more than 30,000 farm and ranch families through our 105 county Farm Bureau Associations.

Access to capital in rural areas continues to be a hindrance to development of some businesses in rural areas. Oftentimes, there are gaps in the capital needed to start or expand a business in rural areas. Generally, businesses are able to meet their financing needs through local banks and other lending institutions. However, there are often times when the regulatory restrictions placed on these institutions will not allow them to provide the necessary capital for an entrepreneurial minded business. This lack of access to capital impacts not only the rural business, but the entire rural community. By impeding business growth, the rural community suffers from fewer jobs, tax revenue, etc.

HB 2168 represents an opportunity to provide much needed capital to rural businesses looking to expand. It provides opportunities for agribusinesses to access another level of capital if other sources are unable to meet their borrowing/investment needs from traditional sources of financing. Additionally, the type of investment capital available through the Ad Astra Rural Jobs Act is not only available to agricultural entities, but also to other business types located in rural areas. Kansas Farm Bureau believes that strong rural businesses are also important to the economic strength of rural communities. Economic diversity in rural areas leads to vibrant communities.

Thank you for the opportunity to provide written support for the Ad Astra Rural Jobs Act. HB 2168 provides an incentive for growth in rural Kansas. This growth is necessary as rural and urban neighbors look to grow the Kansas economy together. Kansas Farm Bureau encourages the passage of HB 2168 so that rural communities can grow stronger throughout this great state.