



**AMERICANS FOR
PROSPERITY®**
KANSAS

Testimony to the Kansas House Committee on Federal and State Affairs

March 21, 2019

House Bill 2289

Chairman Barker and distinguished members of the House Federal and State Affairs Committee:

I thank you for this opportunity to testify in support of HB 2289, a bill that would repeal public convenience and necessity requirements for motor carriers of property, household goods, or passengers.

I am Elizabeth Patton, and I am Deputy State Director of Americans for Prosperity in Kansas. Through broad-based grassroots outreach, AFP is driving long-term solutions to the country's biggest problems. AFP activists engage friends and neighbors on key issues and encourage them to take an active role in building a culture of mutual benefit, where people succeed by helping one another improve their lives.

AFP activists in Kansas support HB 2289 because these certificate of need laws, or CON laws, are even more anti-competitive and unjustified than government occupational licensing laws. In fact, Kansas' moving company CON law in practice does nothing to address health and safety at all. Instead, it acts solely as a way for current companies to block out competition that comes from new and growing firms. Like occupational licensing regulations, these CON laws reduce entrepreneurial opportunities for Kansans trying to enter and expand the workforce, which reduces competition and increases costs for every consumer. As always, these anti-competitive laws affect those who are less well-off most of all since they lack the time and financial resources to overcome these unjustified burdens.

According to research from the Pacific Legal Foundation, Kansas is one of 35 states that have some form of CON law for transportation companies and is 1 of only 17 states that have a CON law as well as criteria that clearly privileges existing businesses and a direct mechanism for competitors to protest new applications.

Today, the state corporation commission operates as an all-powerful gatekeeper that relies on the arguments of existing moving companies trying to block would-be providers from entering the market. HB 2289 provides a great opportunity for Kansas leaders to advance a more open economy based on equal rights, mutual benefit, and openness.

Instead of having policies that leave Kansans at the mercy of government and established businesses set on blocking consumer choice, AFP seeks to remove anti-competitive government barriers altogether to help Kansans better provide for their families and grow our economy. We respectfully ask for you to support HB 2289 and end this very harmful CON law in our state.

Sincerely,

Elizabeth Patton
Deputy State Director
Americans for Prosperity-Kansas