

Testimony to House Committee on Commerce Supporting SB91 March 17, 2021 The Greater Kansas City Chamber of Commerce

The Greater Kansas City Chamber of Commerce (KC Chamber) urges the House Committee on Commerce to favorably pass SB91 which will provide for the transferability of high performance incentive fund (HPIP) tax credits to make Kansas competitive with other states. The KC Chamber, representing nearly 2,000 businesses (40% of which are in Kansas), and its Board of Directors, has identified workforce development as a critical and immediate need in the greater Kansas City area. The HPIP provides tax incentives to qualifying employers who pay above average wages, along with having a robust commitment to teach skills development to their workers. HPIP provides companies in the State of Kansas meaningful incentives to not only pay employees above average wages which increases the purchasing power of employees and consumers, but also encourages employers to offer continuing education and training to employees to "skill up" their workers and ultimately make them more productive employees.

As the economy continues to recover from the downturn in 2020 and as employers cite a continued need for workers in a variety of industries, the KC Chamber believes it is imperative we find solutions to get more people trained and participating in the workforce. Accordingly, the KC Chamber instituted its Workforce Development Initiative in January 2018. The KC Chamber's Initiative is led by 60 of the top employers from greater Kansas City, educators, and workforce intermediaries from throughout the region. The committee believes that the HPIP is an effective program and believes that policies such as this is necessary to continue to improve the quality of Kansas' workforce. Specifically, the KC Chamber believes that the provisions of SB91 makes HPIP credits more attractive and valuable and keeps the State of Kansas competitive with other states that incorporate similar provisions.

The KC Chamber believes that by making HPIP tax credits transferable, Kansas can signal to current and prospective businesses and employers that the state is open for business, prepared to remain competitive with other states, and sincere in its commitment to investing in a high-quality workforce. The KC Chamber encourages this committee to pass SB91 with a favorable recommendation.

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