

 To: Representative Sean Tarwater and Members of the House Committee on Commerce, Labor and Economic Development
From: Kevin Walker, Senior Vice President of Public Policy Overland Park Chamber of Commerce
Date: 14 February 2023

Chairman Tarwater and members of the committee. Thank you for the opportunity to submit testimony in support of HB 2334. This legislation modifies and extends the Attracting Powerful Economic Expansion (APEX) legislation previously approved by the Kansas Legislature.

Since its inception, the APEX legislation has been instrumental in helping Kansas secure two landmark mega projects. These projects are new industries for Kansas and have put the country on notice that Kansas intends to compete for - and win – transformational economic development projects. Combined the APEX-supported projects are expected to produce nearly 6,000 jobs with another 7,000 jobs from suppliers and existing businesses in the state benefitting from the new projects. The new projects are expected to produce nearly \$6 billion in capital investment.

Because of the success of the APEX legislation to date, Kansas is poised to compete for additional projects of this magnitude. HB 2334 makes modifications that will enhance the APEX legislation. The legislation, as drafted:

• Extends the sunset provision of the APEX legislation to 31 December 2024. This change will allow Kansas to compete for an additional "mega" project.

- Allows a qualified firm, as defined by the legislation, to be eligible for incentives offered to other companies in Kansas. Currently qualified firms are not eligible for additional incentives.
- Modifies supplier benefits by adding a relocation incentive, increasing the training reimbursement cap, and increasing flexibility in when a supplier uses their refundability credit.

As intended, the APEX legislation you previously adopted has made Kansas an attractive destination for projects that previously passed us by. We have an opportunity to continue the momentum and the adoption of HB 2334 will help Kansas continue the winning streak.