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TESTIMONY

- TO: HOUSE FINANCIAL INSTITUTIONS & PENSIONS COMMITTEE
- FROM: SCOTT HEIDNER, EXECUTIVE DIRECTOR AMERICAN COUNCIL OF ENGINEERING COMPANIES OF KANSAS (ACEC KS)
- RE: HB 2436
- DATE: MARCH 8, 2023

Chairman Hoheisel, members of the Committee, thank you for the opportunity to submit this testimony today on behalf of ACEC KS. ACEC KS is the trade association representing private consulting engineering companies in Kansas.

HB 2436 addresses Environmental, Social, and Governance (ESG) issues. It is not the intent of ACEC KS to take a strong position regarding ESG in total, but we do have serious concerns about the details and real-world implications of ESG legislation depending on what is being considered.

To that end, we have concerns about some other legislative approaches which have been proposed. There is a concerning level of ambiguity under those proposals about what restrictions the state would be under when attempting to contract with businesses, specifically members of ACEC KS.



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However, we are very pleased to see consideration of HB 2436. While ACEC KS is neutral on the larger ESG issue, if it is the decision of this committee to advance legislation regarding ESG, we strongly encourage you to use HB 2436 as your starting point.

ACEC KS candidly does not desire or intend to be a part of the larger ESG questions. But our members do want ensure that legislation does not create ambiguity, create new liability, or significantly expand the regulatory oversight and therefore time and cost. We believe HB 2436 is the much better path towards addressing ESG while avoiding those potential pitfalls, and we encourage you to use that language as the basis of your discussions.

Thank you for the opportunity to submit testimony today.