

Dear Madam Chair and Members of the Senate Committee on Assessment and Taxation,

My name is Tony Adams, and I am the Chairman and President of Golden Waves Grain (GWG). I appreciate the opportunity to appear before you today to discuss the critical importance of the High Performance Incentive Program (HPIP) to our company and the broader economic landscape of Western Kansas.

GWG is currently investing \$160 million to establish a state-of-the-art flour milling operation and commercial bakery in Goodland, Kansas. This facility is projected to create 141 quality jobs, significantly boosting the local economy. Our project has been recognized as a pivotal economic development initiative for Western Kansas, comparable in impact to the Panasonic project in Eastern Kansas. For the past 100 years, bread delivery has relied on an outdated system. GWG is revolutionizing the industry with a state-of-the-art facility and a cutting-edge delivery process that ensures fresher bread, greater efficiency, and a smarter supply chain.

Our team comprises some of the largest wheat growers in Kansas, highly experienced business leaders, seasoned wheat mill operators and commercial bakery operators. We are proud to collaborate closely with the Kansas Association of Wheat Growers, a member-governed organization that provides grassroots leadership to the U.S. wheat industry. Additionally, we have established a partnership with Kansas State University's Department of Grain Science and Industry, which offers the only four-year Bachelor of Science degree in Milling Science and Management in the world. This collaboration ensures that our operations are grounded in cutting-edge research and best practices in the milling industry.

The HPIP has been instrumental in making this ambitious project feasible. The program's tax incentives, including a 10% corporate income tax credit on qualified capital investments and a sales tax exemption on eligible materials, have been essential in our financial planning and commitment to this substantial investment.

Eliminating the HPIP would severely jeopardize our ability to secure the necessary capital to complete this project. The anticipated tax credits and incentives are integral to our financial model, and their removal would significantly impair our project's viability. This, in turn, could stall a development that promises to

invigorate the economy of Western Kansas and provide over 140 jobs to the community.

Moreover, the HPIP serves as a critical incentive for businesses to invest in regions that might otherwise be overlooked. By offering tangible financial benefits, the program encourages companies to consider rural areas for expansion, leading to balanced economic development across the state. The success of our project in Goodland could serve as a catalyst for further investments, showcasing the potential of Western Kansas as a hub for industrial growth.

In conclusion, I respectfully urge the committee to recognize the indispensable role of the HPIP in promoting economic development and to take action to preserve this program. Maintaining the HPIP will not only support GWG's project but also signal Kansas's commitment to fostering a business-friendly environment that encourages investment and job creation statewide.

Thank you for your attention and consideration.