

House Commerce Committee Tim McKee, Olathe Chamber of Commerce Written Testimony on HB 2006-Neutral

Chairman Tarwater and honorable committee members,

The Olathe Chamber of Commerce is the largest chamber in Johnson County and the second largest chamber in the Kansas City area. Comprised of 1,300 members and growing, our mission is to be the voice of business that advances the economic well-being and quality of life in Olathe. With 150 years of history, the Olathe community has prospered over the years and today, it has become one of the Midwest's dominant business, economic, and cultural centers. I want to thank you for the opportunity to comment on HB 2006, which proposes the creation of an economic development incentive database as a tool to track the programs.

Olathe's economic growth and success would not be possible without a toolbox of incentives to attract and retain businesses in Olathe. We do believe periodic review of these incentive tools is prudent to assure the incentives are being used as intended and the public investment is producing the return on investment promised. Unfortunately, to date, Kansas does not have a systematic review process in place which often leads to onetime reviews that results in unanswered questions and speculation by policymakers on the effectiveness of the public investment.

In an attempt to bring transparency to incentives, HB 2006 proposes to establish a searchable public database of incentives. While we understand the desire for public access to the incentive information, we are concerned there are no safeguards to protect the confidentiality frequently needed in economic development deals. Today, with all states competing globally to recruit and retain companies, we need to proceed with caution and protect the confidentiality expected in these deals. If we are unable to protect confidentiality, we can expect to be ineligible for the deals. While we do not believe it is the intention of HB 2006 to thwart economic development in the state, we are fearful that as drafted, the legislation will be counterproductive to the success of Kansas programs.

A top priority and function for the Olathe Chamber is to recruit businesses to Kansas. I appreciate the efforts of this committee to review the economic development incentives in Kansas. As always, if you have any questions, please feel free to contact me 913.764.1050. I look forward to our continued partnership in keeping Kansas and the Olathe Community a vibrant place to live and work!

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