



**Kansas Grain and Feed Association
Kansas Agribusiness Retailers Association
Renew Kansas Biofuels Association**
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May 19, 2020

To: House Committee on Financial Institutions and Pensions
From: Randy E. Stookey, Senior Vice President of Government Affairs
RE: **Proponent Testimony on 2020rs3403, Kansas economic recovery loan deposit program**

Chairman Kelly and members of the Committee, thank you for the opportunity to provide testimony in support of 2020rs3403. This testimony is submitted jointly on behalf of the Kansas Grain and Feed Association (KGFA), the Kansas Agribusiness Retailers Association (KARA), and Renew Kansas Biofuels Association (Renew Kansas).

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. KARA is an agribusiness industry trade association with membership of over 700 companies across Kansas. Renew Kansas is the trade association of the biofuels processing industry in Kansas.

Across Kansas, our member grain elevators, biofuel processing plants, and agricultural retailer members work to provide goods and services in the agribusiness sector. However, many companies in these industries have experienced direct financial loss due to market down turn related to the COVID-19 pandemic.

It is our understanding that, in response to the COVID-19 pandemic, the proposed legislation would enact an economic recovery loan program to allow eligible borrowers access to reduced interest business loans through a state-administered *Economic Recovery Linked Deposit* lending program.

We appreciate the work of the Kansas Bankers Association, and others, in putting this legislation together. In as much as this program may benefit our member businesses, and provide for increased investment and liquidity in our industry, we would join with other stakeholders and stand in support of the legislation.

Thank you for allowing us the opportunity to testify in support of 2020rs3403. We would respectfully request that the committee pass the bill out favorably.