

 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: 1 February 2023

Chairman Tarwater and members of the committee. Thank you for the opportunity to submit testimony in response to HB 2123. The Overland Park Chamber believes strongly in the value of entrepreneurship. The vision and dedication exhibited by entrepreneurs is a cornerstone of American business. Throughout the history of our state and our country, entrepreneurs have taken on immeasurable risks to turn their ideas into reality.

We believe the intention of this legislation is good and worthy of further exploration. We hope that through continued discussion this legislation can be modified to support entrepreneurs in Kansas while addressing a couple of concerns.

First, lines 21 through 24 direct the Department of Commerce to "work with stakeholders and organizations supporting entrepreneurship to enhance learning and skills, provide technical support and expand access to resources..." It is unclear how this is to be managed and we are fearful it could lead to a duplication of effort. Chambers of commerce and small business development centers across the state are already engaged in this effort.

We value our role in assisting entrepreneurs. Ensuring that this language enhances what is already occurring, rather than duplicating effort, is important.

Secondly, we have concerns with language that carves out five percent of various programs and funds exclusively to businesses that have existed for five years or fewer. Again, we believe the intent is good. However, in practical terms, Kansas taxpayers must get the maximum return on the use of their tax dollars.

Whether it is awarding state contracts or offering incentives we believe that a thorough assessment of a project and vendor should be conducted based on economics, capabilities, and experience. This is not to say that entrepreneurs as defined in this language are unqualified. Many of them may be uniquely qualified and capable of delivering outcomes better than other entities with more experience. We simply believe that qualifications and sound fiscal analysis should guide the allocation of state resources – not a statutory quota.

Again, we believe the intent of the legislation is good and we applaud the author of the legislation for working to support entrepreneurs. We are on board with that notion and believe a good idea can be made even better.