



TESTIMONY IN OPPOSITION TO SENATE BILL 305
TERRENCE P. DUNN
CHAIR, GREATER KANSAS CITY CHAMBER OF COMMERCE
PAST CHAIR, CIVIC COUNCIL OF GREATER KANSAS CITY

Chairman Masterson and Members of the Committee:

I am here today on behalf of the Greater Kansas City Chamber of Commerce and the Civic Council of Greater Kansas City to express our strong opposition to Senate Bill 305.

Our organizations have worked together, with many other stakeholders and leaders, to grow the biosciences in Kansas. We supported the passage of the Kansas Economic Growth Act, which established the Kansas Bioscience Authority (KBA), because we believed Kansas had to position itself at the forefront of this sector that is leading economic growth in the 21st Century.

The strategy is working. The Kansas Economic Growth Act put the region on the map and in the minds of bioscience companies and innovators that otherwise might have overlooked Kansas. While others pulled back during the recession, Kansas leveraged the funds provided by the Kansas Economic Growth Act to establish its reputation as a state that welcomes bioscience development. Among the resulting accomplishments were the attraction of bioscience stars to teach, study and undertake cutting edge research, the successful bid for the National Bio Agro-Defense Facility at K-State, the NIH Cancer Center designation for KU, the attraction of venture capital funds to Kansas, and the continued growth of bioscience companies and employment.

S.B. 305 will make similar victories more difficult in the future. Kansas wisely designed its key bioscience development funding mechanism to operate apart from State government through quasi-private authority status. This signals to entrepreneurs and business leaders that Kansas approaches its bioscience growth on a professional basis, using objective criteria, with an understanding of business realities, and buffered from the shifting sands of the political processes that underlie many other economic development programs.

Recent examples of KBA success include the following:

- 1) Health Outcomes Sciences has hired eight people at an average wage of \$110,000 since being funded by the KBA in 2014.
- 2) Ceva Biomune has increased its employee count by 80 percent, grown its payroll to \$21 million annually, increased its export sales by 756 percent, and does business with 669 other Kansas companies.
- 3) Investment capital totaling \$95 million was attracted to Kansas last year.

As business leaders, entrepreneurs and investors we will continue to do our part to ensure the goals of the Kansas Economic Growth Act are accomplished. We want partner with you to continue the successful trajectory that has been established, by bringing additional investors to the table, supporting a growing entrepreneurial community, promoting faster commercialization of innovations, and helping create a new strategic plan for the region's biosciences.

We urge you to give careful thought to making changes that could destroy this momentum.

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