



DEPARTMENT OF COMMERCE

Steve Kelly, Acting Secretary



House Bills 2004 and 2005

Commerce

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Co-chairs Brownlee and Jordan and members of the Committee I am Patty Clark and I serve as Deputy Director for the Kansas Department of Commerce and we wish to express our support for the passage of both HB 2004 and HB 2005.

HB 2004 extends the Rural Business Development Tax Credit program until 2012 with a cap of \$2,000,000 per fiscal year. Last year you approved increasing the tax credit amount from 50% to 75% and since that point we have seen the marketing of the tax credits increase significantly. The funds created by those tax credits are managed by the seven Regional Rural Business Development Foundations to provide gap financing for small business development in rural areas, as well as provide telecommunications improvements and leadership development. In short, the tax credits are now doing exactly what you designed them to do.

HB 2005 provides for some technical clean up to the statutes governing that Kansas Center for Entrepreneurship and the Kansas Entrepreneurship Fund tax credit program. We support the new language.