

Ladies and gentlemen of the committee. Good afternoon, my name is Jeff Weiner, I am the CEO of Real Quantum, and I am testifying today in FAVOR of House Bill 2689.

Real Quantum is a software technology startup founded and based in Overland Park, Kansas. Each of the founding members of the company invested his own money to get the company started. We worked full time at other jobs and worked evenings and weekends on Real Quantum. It's a new business, and so those evenings and weekends continue still today.

We raised angel investment funding in 2018 and 2019. In both years, we took advantage of the Kansas Angel Tax credit program. It helped us attract money both inside the state and outside as well. Thanks to the ease with which the credits can be sold, out-of-state investors are putting money into our Kansas-based company.

Further, these investors don't just contribute money. All are accomplished men and women who bring ideas, valuable connections and guidance to help our startup succeed. That influx of knowledge and talent is a powerful additional benefit of this program that is vital to the success of a start-up like ours, even though it may be less easily quantifiable.

My cofounders and I support the Kansas Angel Tax credit program for several reasons

- First, it levels the playing field. We compete with larger cities, mostly on the coasts that have easier access to capital and get higher business valuations resulting in larger returns for their investors. The Kansas Angel program reduces risk for investors; more capital is invested in entrepreneurs, and in turn more companies can grow in Kansas that may not have otherwise.
- Second, we created a company and added jobs in Kansas. Revenue comes from our customers across North America. Soon, we'll have a global reach, all from right here in the Sunflower State.
- Lastly, the program helps bridge the chasm between very early-stage funding like startup incubators and larger venture capital investment. That time in between is critical when companies are just getting traction and need support until revenues really start to grow.

HB 2689 is a smart revision to this successful program. It increases the total investment in a single company, which fuels growth. The bill adds funding in future years so additional companies can create even more jobs in Kansas.

So, I urge the State of Kansas to turn this bill into law and help Kansas businesses create new economic growth and jobs.

http://www.kslegislature.org/li/b2019_20/measures/documents/hb2689_00_0000.pdf