



To: House Commerce, Labor and Economic Development Committee
From: Kevin Walker, Senior Vice President of Public Policy and Advocacy
Overland Park Chamber of Commerce
Date: 20 February 2020

Chairman Tarwater and Members of the Committee:

On behalf of the more than 800 business members of the Overland Park Chamber of Commerce I appreciate the opportunity to submit testimony in support of HB 2689.

In order to grow Kansas businesses and our economy overall, it is important that we have a variety of sources of financial support to aid business wherever they may be in the process of growing their enterprise. For many startups, access to capital is as critical to have as it is difficult to find. This is the niche that is filled by angel investors. Angel investors play a critical role in business startups providing financing for entrepreneurs when more traditional sources of financing are not readily available.

HB 2689 extends the angel investor program in Kansas for five years. Further, the bill provides for increases in funding by allocating \$500,000 per year to the program starting in FY 22. This would grow the program to \$8 million providing the state more opportunities to assist young businesses at a critical juncture in their development.

Additionally, the bill makes several programmatic and technical changes that update the program and increased accountability. These changes include doubling to \$100,000 the number of credits a single business can receive from an investor and increasing the limit per investor to \$350,000 per year up from the current \$250,000.

We believe angel investors are important to the future of the Kansas economy and we encourage this committee to support passage of HB 2689.