



Chairwoman Johnson and Members of the Committee,

My name is Michael Austin, Director of the Center for Entrepreneurial Government, and I present to this committee opponent testimony to the HB 2093 in its current form.

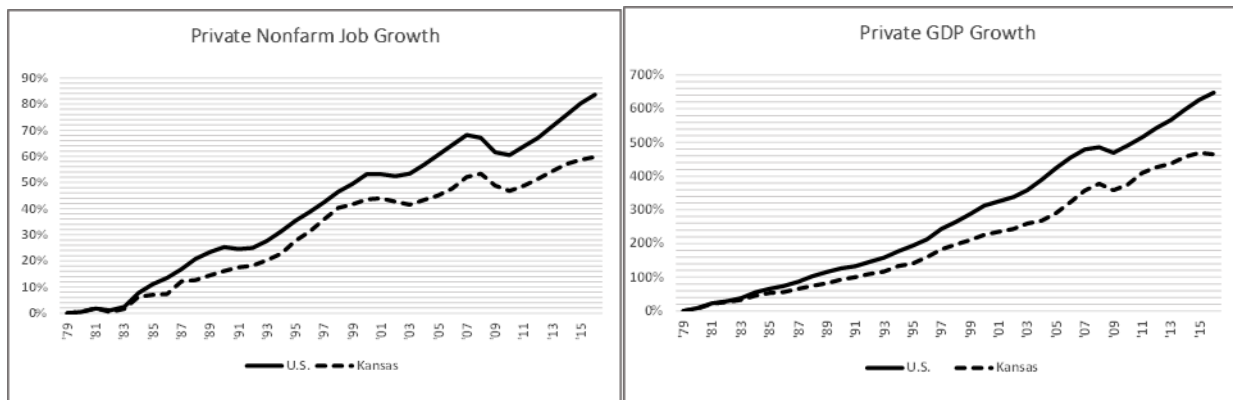
1. Tax Expenditures and General Economic Development Policy Is in Need of Oversight

Government economic development policy is like a bad game of Jenga. Policymakers remove a block of taxpayer dollars intended for government services. Eventually they must pay for those tax incentives by raising the tower of tax burdens. The longer the game is played, the easier it is for the entire system to collapse. That means less resources to sufficiently fund core government services. It also makes it harder for families to spend their paychecks freely. HB 2093, regardless of the size of the fiscal note, contributes to the shaky foundation state tax revenues rely upon.

2. HB 2093 provides little economic impact to Kansas

The U.S. Census Bureau notes that in 2012, stores that sold [“Precious metals, coins, medals, & other numismatic items”](#) made \$94,000 in those product sales. Even if you apply a single digit growth rate due to inflation, that means HB 2093 affects a little over \$100,000 in sales in the Kansas economy. In other words HB 2093 affects 0.00006% of the [Kansas economy in 2017](#). This isn't to say economic development shouldn't be sought after, far from it. Instead it says the ends do not justify the means.

HB 2093 will not encourage Kansans and companies to move back to Kansas. That's especially important because Kansas has been falling farther behind the nation in private sector job growth and GDP growth.



Had Kansas grown at the national average, the state would have roughly 160,000 more jobs and the economy would have an extra \$29 billion in economic activity. Just think what that would mean for Kansas families. It is better to pursue tax policy that benefits all Kansas businesses and families, not just one firm or industry. It is for these reasons we strongly recommend to not set HB 2093 for passage.