



January 28, 2020

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our nearly 1,800 members, thank you for this opportunity to provide testimony in support of S.B. 126, AN ACT concerning income taxation; relating to certain public utilities; exemption from income tax; income tax expenses, exclusion from retail rates.

The Chamber supports this legislation because we believe it would aide efforts to make Kansas more business-friendly and more competitive with regards to utility rates.

The south-central region of Kansas is home to a large number of manufacturing firms. In fact, the state's largest manufacturing companies are located in and around the Wichita area. These large manufacturers are also some of the largest consumers of utility services.

While we are fortunate to have these employers driving our economy, we also recognize that in today's global economy, these firms have many choices as to where to locate and where to grow jobs. Several of these firms have multiple plants located outside the state of Kansas. These firms, while dedicated to their Kansas operations, have an obligation to their shareholders to gain the maximum return on their investments possible. Utility rates are a part of this equation. Therefore, policy decisions related to utility rates directly impact employment growth and overall economic opportunity for the region and our state in general.

With this in mind, we would urge the Committee to report S.B. 126 favorable for passage, with one minor amendment. We would request that the Committee include language that ensures the enactment of the aforementioned legislation would preclude the necessity for an additional rate case before the KCC.

Very truly yours,

Jason P. Watkins
Wichita Regional Chamber of Commerce