



House Committee on Commerce, Labor and Economic Development
Written Only Testimony in Support of HB 2471
February 29, 2024

Chairman Tarwater and Committee Members:

The Kansas Economic Development Alliance represents over 76 Kansas communities and counties with over 100 economic development professionals who work to bring new companies and jobs to the state of Kansas. We stand in support of HB 2471, a bill which proposes to incentivize Electric Vehicle (EV) and Hydrogen powered vehicle assembly, component/subassembly manufacturers, their respective headquarters or research & development facilities.

HB 2471 proposes a forward-looking approach to attracting investment in innovation and the types of technologies that drive long term economic growth for Kansas. Specifically, the project requirements include a \$250 million minimum investment for assembly operations, creation of at least 250 jobs within 5 years, base wages of 120% or more of county median wage, with project competition within 5 years of start. The bill also allows for the company to combine HQ operations and R&D operations to meet capital requirements or job numbers. There is abatement of taxes on construction materials used in the building, renovation or expansion of a qualifying activity as well as training assistance which is capped at \$5 million per project for community college or technical schools. Finally, there are refundable capital tax credits and up to 100% of employee payroll withholding for up to 10 years, as determined by the Secretary.

Kansas must be successful in attracting new industries that provide quality, high paying jobs for the future, but to do so we must move swiftly and aggressively. The Kansas Legislature has supported numerous bills over the past several years including the APEX program which was so critical for the success with Panasonic in De Soto. Other communities have had strong growth from existing industries growing their operations. HB 2471 provides support for new industry categories looking to expand in Kansas. Thank you for the opportunity to express our thoughts and support.

Sincerely,

A handwritten signature in black ink that reads "D. Mitch Robinson". The signature is fluid and cursive, with a horizontal line extending from the end.

D. Mitch Robinson,
President
Kansas Economic Development Alliance