



**Overland
Park
Chamber™**

To: Chairman Sean Tarwater and Members of the House Commerce, Labor and Economic Development Committee

**From: Kevin Walker, Senior Vice President of Public Policy
Overland Park Chamber of Commerce**

Date: 25 January 2021

I appreciate the opportunity to submit testimony in support of HB 2097.

Economic development professionals across the state are committed to helping grow the Kansas economy. We do that through targeted recruitment of new employers to the state while also working with existing companies and industries to help them grow. To support these efforts, we utilize several important economic development tools. Among them are the Kansas Industrial Training Program (KIT); the Kansas Industrial Retraining Program (KIR) and the High-Performance Incentive Program (HPIP).

KIT is used to assist companies in creating jobs. The program supports training for workers who require specialized job knowledge and skill sets. This training affords the new employees the opportunity to get up-to-speed quickly on their job duties. KIR, on the other hand, is more of a job retention tool that allows workers to receive training to learn new job skills as their jobs evolve with advances in technology and procedures.

HPIP has been a popular and successful economic development tool in Kansas. This program provides tax incentives to employers that pay above-average wages and have a strong commitment to skills development for their workers. HPIP is especially important as it encourages companies to invest in capital for facilities and technology.

Over time these programs have become linked as some companies have used their involvement in the KIT and KIR programs in part to satisfy the training requirement in HPIP. While that linkage has been effective, we don't think it is optimal. This bill helps decouple the programs, allows each of them to function independently and ensures that our economic development tools are being used in the most effective manner.

We encourage the committee to support HB 2097. Your support will maximize the impact of these programs and ensure that Kansans are getting the best return on their investment in our job creation and retention efforts.