



Kansas Grain and Feed Association  
Kansas Agribusiness Retailers Association  
Renew Kansas Biofuels Association  
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March 17, 2021

To: House Committee on Commerce, Labor and Economic Development  
From: Randy Stookey, Senior Vice President of Government Affairs  
RE: **Joint Proponent Written Testimony on SB 91, providing for the transferability of high performance incentive fund tax credits**

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Chairman Tarwater and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 91. This testimony is submitted jointly on behalf of the Kansas Grain and Feed Association (KGFA), the Kansas Agribusiness Retailers Association (KARA), and Renew Kansas Biofuels Association.

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. KARA is an agribusiness industry trade association with membership of over 700 companies across Kansas. Renew Kansas Biofuels Association is the trade association of the Kansas biofuels industry.

Across Kansas, our member grain elevators, ethanol plants, and agribusiness facilities contribute to the Kansas economy and provide gainful employment for thousands of Kansans. These industries also function as good corporate citizens, paying millions of dollars annually in property taxes that help support schools and local government.

Many of our agribusiness members have been able to utilize the economic development tax credit program known as the *High Performance Incentive Program* (HPIP) to help them expand, and remain competitive, by investing in capital expenditures and additional employees. HPIP allows companies a non-refundable income tax credit for eligible capital investments. Those tax credits can currently be carried forward for 16 years.

Senate Bill 91 seeks to amend HPIP in order to allow companies, such as our members, to transfer up to 50 percent of the HPIP tax credits for projects after January 1, 2021. Allowing an HPIP enrollee to transfer otherwise unusable tax credits would strengthen the program for participating companies. This change would also further the original intent of the program – to encourage growth and investment in Kansas industry, resulting in additional high-paying jobs for Kansas workers. This change may also provide greater flexibility in administration of the program.

For these reasons, we would stand in full support of Senate Bill 91. Thank you for allowing us to provide testimony in support of this measure. We would respectfully ask the Committee to pass the bill out favorably.