

February 2, 2022

Chairman Smith and Members of the House Taxation Committee,

Thank you for the opportunity to provide testimony in support of H.B. 2499, AN ACT concerning taxation; relating to sales and compensating use tax; providing for a refund of tax paid on sales of property used in video, internet access and telecommunications services.

As you know, broadband expansion is a top priority among policymakers and constituents alike. It is key to the growth of any modern economy and lends a significant competitive advantage to communities, regions, and states that choose to prioritize its development. There are hundreds of millions of dollars' worth of investment needed to bridge the digital divide and decreasing costs of deployment will allow more capital to be put to work to solve our broadband access challenges. H.B. 2499 serves to enhance our ability to expand services across the state by reducing the tax liability of businesses for equipment purchases. This is particularly helpful in keeping costs down as we experience supply chain disruptions and rising costs.

IdeaTek is a Kansas-owned and operated internet provider with a mission to bring internet freedom to underserved homes and businesses in our state. With mostly private funding, we have built more than 4,000 miles of fiber throughout Kansas, providing broadband to thousands of customers in nearly 50 communities.

Passage of this bill will aid us in deploying more fiber installations across the state.

There is an opportunity to solve the connectivity issues for the 173,000 Kansas households without a wired high-speed broadband service today. But we can only do this by fully connecting our state. Kansas has momentum, it now needs to set its sights higher and work to be among the most connected states in America. We appreciate the solution you're offering businesses through HB 2499 and believe this a necessary tool for our privately-owned business.

Respectfully submitted,

Daniel Friesen

Managing Partner/CIO