

To: Senate Federal and State Affairs Committee

From: John Goodyear, General Counsel

Date: February 7, 2022

RE: Proponent Testimony on SB 375 – Oral In Person Testimony

We want to thank Chairman Olson and the members of the Committee for affording the League of Kansas Municipalities the opportunity to provide testimony in support of HB 375.

One of the biggest concerns we hear from our member cities is the dearth of good housing options. All around the state, lack of quality housing has been a serious impediment to growth and economic development. As such, our members have directed us, through our Statement of Municipal Policy, to support programs that encourage access to quality housing. SB 375 has the potential to set off a chain reaction resulting in the production of quality housing options in communities that need it.

The Kansas Housing Investor Tax Credit Act, created by this bill, would encourage the construction of residential dwellings in cities having less than 70,000 residents by giving qualified investors a tax credit in the amount of their investment. Further the act provides certain protection to cities, requiring the secretary of commerce to consider whether a project has the support of the community and the governing body when determining whether a project is qualified under the act.

Tax credits could lead to more willing investors; increased investment will lead to enhanced viability of housing projects; the yield of more viable projects is more housing in communities across our state.

The League supports SB 375 and asks this Committee to recommend it favorably for passage.