

Testimony in Support of House Bill 2088

Kansas House Committee on Commerce, Labor, and Economic Development

January 30, 2025

Andrew Wiens On behalf of Opportunity Solutions Project Chairman Tarwater and Members of the Kansas House Committee on Commerce, Labor, and Economic Development:

Good afternoon! My name is Andrew Wiens with Dugan Consulting Group, speaking with you today in favor of HB 2088 ("Fast-Track Permits Act") on behalf of Opportunity Solutions Project (OSP). OSP is a non-profit, non-partisan advocacy organization dedicated to advancing policies that reduce barriers to work, protect state benefits for the truly needy, and ensure that the government is accountable to taxpayers and citizens.

Home prices continue to rise in Kansas.ⁱ While there are several reasons for this, a key driver is when government doesn't run on time. Studies show that permit delays can play a part in increasing home costs and driving up rent.ⁱⁱ⁻ⁱⁱⁱ

This bill will streamline local permits and help lower costs for families face rising home prices. It doesn't completely overhaul local permitting systems. Instead, the bill sets a deadline for local governments to process permits.

Here's how it would work. Local governments would have to review permit applications and make a decision within a 60-day "shot clock." If the local government body doesn't make a decision regarding a permit application within 60 days after meeting about it, then the permit application would be considered "approved."

This means that local governments would have to process permits in a timely manner or risk not being able to weigh in on the decision. Many local governments may already be in compliance with the 60-day "shot clock" under this bill. This policy would help maintain good practices that are already in place while preventing major permit delays across Kansas.

This bill is not a magic bullet to address rising home prices and development delays, but it does serve as a commonsense backstop. States like Texas, Tennessee, North Carolina, Arkansas, and Minnesota have passed iterations of this policy. Research shows that, after enacting a similar reform in Florida, building permits for new homes were processed more quickly.^{iv} Kansas could expect the same.

I urge your favorable consideration of HB 2088. Thank you.

ⁱ FRED, "All-transactions house price index for Kansas," Federal Reserve Bank of St. Louis (2024), <u>https://fred.stlouisfed.org/series/KSSTHPI</u>.

^{II} Paul Emrath, "Government regulation in the price of a new home: 2021," National Association of Home Builders (2021), <u>https://www.nahb.org/-/media/NAHB/news-and-economics/docs/housing-economics-plus/special-studies/2021/special-study-government-regulation-in-the-price-of-a-new-home-may-2021.pdf</u>.

^{III} Paul Emrath and Caitlin Sugrue Walter, "Regulation: 40.6 percent of the cost of multifamily development," National Association of Home Builders (2022), <u>https://www.nahb.org/-/media/NAHB/news-and-economics/docs/housing-economics-plus/special-</u> <u>studies/2022/special-study-regulation-40-percent-of-the-cost-of-multifamily-development-june-2022.pdf</u>.

^w Hayden Dublois, "Fast track to success: How Florida has streamlined its permitting process to cut red tape and expand housing," Foundation for Government Accountability (2022), <u>https://thefga.org/paper/florida-streamlined-processes-to-expand-housing/</u>.