

TESTIMONY
HOUSE COMMITTEE ON COMMERCE, LABOR, AND ECONOMIC DEVELOPMENT
HOUSE BILL NO. 2119

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On behalf of the Southwest Kansas Coalition
January 31, 2025

Opposition

Chairman Tarwater and Members of the Committee,

Thank you for the opportunity to submit written testimony on behalf of the Southwest Kansas Coalition in opposition to House Bill No. 2119. This legislation, which seeks to discontinue the Kansas Affordable Housing Tax Credit effective July 1, 2025, raises serious concerns for our community and the broader economic and social well-being of municipalities across Kansas.

Preserving Housing Accessibility

The Kansas Affordable Housing Tax Credit is an essential tool in addressing the persistent housing shortage in Southwest Kansas. The discontinuation of this credit would significantly hinder efforts to provide affordable housing for working families, seniors, and low-income residents. Without this financial incentive, developers will be less likely to invest in affordable housing projects, exacerbating the housing crisis and reducing options for our residents.

Economic Development and Workforce Stability

Access to affordable housing is a crucial factor in attracting and retaining a stable workforce. Many businesses in Southwest Kansas rely on a workforce that can afford to live within a reasonable distance of their place of employment. The elimination of this tax credit would create additional barriers to economic growth, making it more difficult for businesses to recruit and retain employees. Housing instability leads to higher turnover rates and reduces overall economic productivity.

Adverse Impact on Municipal Services and Infrastructure

The reduction in affordable housing developments would place increased pressure on our city's resources, including emergency services, shelters, and social assistance programs. A lack of affordable housing often leads to increased homelessness, which in turn demands additional public funding to address the resulting social and economic challenges. The Southwest Kansas Coalition has made significant investments in infrastructure and services to support responsible growth, and the abrupt removal of this tax credit would undermine these efforts.

Commitment to Housing and Community Growth

House Bill No. 2119 contradicts the broader goals of fostering sustainable communities and ensuring housing accessibility for all residents. Rather than eliminating the Kansas Affordable Housing Tax Credit, we urge the Legislature to consider measures that strengthen and expand affordable housing initiatives. Ensuring access to affordable, quality housing is not just a municipal issue but a statewide economic and social priority.

Conclusion

For the reasons outlined above, the Southwest Kansas Coalition strongly opposes House Bill No. 2119. We urge the Committee to reject this bill and instead explore solutions that support affordable housing development, economic growth, and the well-being of Kansas communities. Additionally, we strongly recommend that projects approved before July 1, 2025, be grandfathered in to ensure the continuation of developments that have already begun and have incurred costs.

Thank you for your time and consideration.

Respectfully submitted,

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