

February 6, 2025

House Committee on Commerce, Labor & Economic Development Testimony in Opposition to HB2119 By Debra Teufel, KEDA 2nd Vice President & President & CEO at Hutchinson/Reno County Chamber of Commerce

## Chairman Tarwater and Committee Members:

The Kansas Economic Development Alliance (KEDA) represents over 76 Kansas communities and counties with over one hundred economic development professionals who work to bring new companies, jobs and economic growth to the State of Kansas.

I am writing today to express our concerns and opposition to HB 2119 for the following reasons:

- HB2119 seeks to eliminate the affordable housing tax credit as of July 1, 2025.
- KEDA supports programs that enable communities to attract investors who will
  develop housing that allow people of moderate incomes to afford to live and work in
  Kansas. Elimination of this tax credit could mean that projects that are in the
  planning stage to grind to a halt, taking us backwards at a time when there is a lack
  of affordable housing options for residents.
- This is an economic development issue because Kansas companies have cited that affordable housing is one reason it is hard to attract workers to our state. This is an issue across the state and any programs that we can keep in place to give stability to this as a tool should be a top priority to give residents options for affordable housing. There is evidence to show that states who have eliminated this tool saw a sharp decline in development.
- The members of KEDA support continuing these tax credits to help our communities compete and attract new investment to improve the quality of life for all Kansans.

On behalf of the KEDA, thank you for the opportunity to present our concerns with HB 2119 and the detrimental impact it could have on the future of affordable housing for Kansans.