

Good day, Chairperson Tarwater and committee members. Thank you for the opportunity to provide testimony. My name is Nickaila Sandate, and I represent EmberHope, a recent recipient of Low-Income Housing Tax Credit (LIHTC) funding in Kansas. We oppose HB 2119 as written, which seeks to eliminate the Affordable Housing Tax Credit program effective June 30, 2025. We believe this bill would cause significant harm to the housing sector and Kansas communities, and we ask that the committee reconsider advancing this bill.

HB 2119 would disrupt developments already receiving tax credit allocations, including our project. Developers, investors, contractors, lenders, and suppliers rely on this program to finance affordable housing projects. Eliminating the program before completion would jeopardize these developments.

- 1. The proposed completion deadline of June 25, 2025, is unrealistic due to construction delays caused by supply chain issues and weather. Many projects would remain unfinished, leading to financial losses and worsening the affordable housing shortage.
- 2. This also threatens the livelihoods of workers, small businesses, and suppliers, causing a ripple effect throughout the economy.

Many of these projects focus on rehabilitating affordable housing, which is crucial for revitalizing Kansas communities. HB 2119 risks displacing vulnerable residents.

- Rehabilitation efforts often involve improving both living conditions and social services. Without
 the tax credit, these efforts would be halted, leaving residents without the chance to benefit
 from necessary upgrades.
- 2. Some developments, like ours, aim to serve youth aging out of foster care, offering mentorship and stable housing in an intergenerational setting. Discontinuing the program would abandon these vulnerable youth at a critical time.

Eliminating the tax credit program would severely impact the availability of affordable housing in Kansas.

- LIHTC is one of the most effective tools to address the housing crisis, especially for low-income populations. Without it, future housing projects would be limited, worsening the statewide housing shortage.
- 2. The loss of the program would undermine confidence in Kansas' commitment to affordable housing, potentially leading to a loss of private investment and higher housing costs.

The state will lose significant economic benefits if the LIHTC program is terminated.

 The affordable housing sector supports thousands of construction, management, and maintenance jobs. Eliminating the program would result in job losses and decreased economic activity.









2. Additionally, affordable housing projects generate tax revenue and support local economies. Discontinuing the program would remove a key revenue stream for municipalities, hindering long-term economic growth.

The elimination of the Affordable Housing Tax Credit program, as proposed in HB 2119, would have devastating consequences for Kansas' affordable housing sector, vulnerable residents, and the state's economy. The proposed completion deadline is unrealistic and would lead to significant financial hardships. We urge the committee to reconsider advancing HB 2119 in its current form and explore solutions to strengthen, not eliminate, the program to support Kansas' housing future.

Thank you for your time and consideration.



