



**Date: February 3, 2025**

**To: House Committee on Taxation  
Representative Adam Smith, Chair**

**From: Alex Orel, Senior Vice President Government Relations  
Kansas Bankers Association**

**Re: Written Proponent Testimony for HB 2096**

Mr. Chair and committee members, I am Alex Orel on behalf of the Kansas Bankers Association (KBA). It is also my pleasure to introduce Kelly VanZwoll, Vice President – Government Relations & Staff Attorney and J.W. Wells, KBA's Ag Bankers Division Coordinator & Government Relations Assistant. We look forward to being a resource for you and the committee as you consider financial service issues in the coming weeks and months. Thank you for the opportunity to submit testimony in support of HB 2096.

**Kansas Bankers Association Background Information:**

The KBA, founded in 1887, is a voluntary, non-profit trade association governed by its membership. The KBA is headquartered in Topeka, Kansas, and is led by our 24-member board of directors. The KBA staff, which President/CEO Doug Wareham leads, includes 42 professionals, including 15 attorneys licensed in 5 states, that provide services to Kansas bankers ranging from legislative advocacy to educational training to insurance services to legal and regulatory compliance support. Our mission statement is:

*"The Kansas Bankers Association strengthens and supports the Kansas banking industry by advocating for sound financial policies, promoting innovation, and fostering economic growth across the state to ensure a vibrant financial future for all Kansans."*

KBA's membership includes 98% of the headquartered banks in Kansas. Our membership also includes 20 out-of-state commercial banks operating in Kansas. Our member banks employ more than 21,000 Kansans that provide financial services in every county across the state. While our member banks range in assets from the smallest in our state to the largest in our state, each member bank that belongs to the KBA has one vote on policy positions adopted by either our general membership or our Board of Directors. One member, one vote.

## **HB 2096—Proponent Testimony**

The KBA was supportive of the Kansas Housing Investor Tax Credit when it was first passed in 2023. We recognize that there was and still is a shortage of attainable housing in Kansas. A shortage of quality housing is a barrier to economic growth and development for any community. Bankers are committed to seeing that everyone with the dream of homeownership has that opportunity and we support the Legislature in their efforts to tackle this.

Under the current Kansas Housing Investor Tax Credit Program, the tax credits are issued and usable for five years. However, if they are not sold in the same year they are acquired, then they lose that time to carry it forward. We appreciate Commerce Bank and the Friends of Historic Preservation for making us aware of this issue. This bill would make a technical change to the Kansas Housing Investor Tax Credit Program to allow the tax credit buyers to use the credits beginning the tax year they were issued instead of the year they were transferred. This allows the tax credit buyer to get the full five years from the credit. We would like to note that last year's bill on this issue, HB 2832, did not have a fiscal impact on the state.

We sincerely appreciate your time and attention to this matter. As the Committee deliberates on HB 2096, we respectfully urge favorable consideration for its passage. Thank you for the opportunity to provide proponent testimony and if you have questions or require additional information later, please get in touch with me at [aorel@ksbankers.com](mailto:aorel@ksbankers.com) or (785) 232-3444.