



PO Box 654
Lawrence, KS 66044
KansasInterfaithAction.org

<https://kansasinterfaithaction.org>
mrieber@kansasinterfaithaction.org
(913) 232-2336

Rabbi Moti Rieber, Executive Director
Rev. Dr. Annie Ricker, Board Chair

Written testimony in support of HB 2074, Including homestead renters as eligible to participate in certain homestead property tax refund claims

By Rabbi Moti Rieber, Executive Director

House Committee on Taxation, Rep. Adam Smith, chair

Mr. Chair, members of the committee:

Thank you for the opportunity to submit testimony today. I serve as executive director of Kansas Interfaith Action, a statewide, multifaitth issue-advocacy organization that “puts faith into action” on a variety of important social and economic justice issues. We work with many of the Mainline denominations in Kansas, including the Central States Synod of the ELCA Lutheran Church, the Kansas-Oklahoma Conference of the United Church of Christ (UCC), and the Mercy & Justice Team of the Great Plains Conference of the United Methodist Church (UMC), as well as dozens of congregations and thousands of people of faith and conscience throughout the state. I submit testimony in support of HB 2074.

There is a great deal of talk this year about lowering or reforming property taxes in Kansas. This gives us an opportunity to address a more than 10-year-old injustice: the elimination of the Homestead Property Tax Refund for renters. Although many elements of the disastrous Brownback tax experiment have been addressed, this one has not. Adding this policy back in will allow any benefits of cuts in property tax to benefit renters as well as homeowners.

About one-third of all housing units in Kansas are occupied by renters. Renters have a much higher rate of poverty: 19% of renters are at or below poverty level, compared to only 4% of homeowners. This is not surprising, since personal wealth among middle-income households is largely based on home equity.

Census data show that rents have risen about \$200 per month since 2020. That’s a 25% increase – without a concomitant rise in wages. This has exacerbated Kansas’ twinned crises of affordable housing and homelessness; in fact, homelessness has increased 395% in Kansas over the past five years.

43% of Kansas renters spend more than a third of their income on housing. This is far beyond the 30% recommended for total household spending on housing, making these renters “house poor.” Worse, 73% of “extremely low-income renters” – up to \$28,250 for a family of four -- spend more than 50% of their income on housing.

We would like to think that landlords or property managers who receive property tax relief would pass these benefits on to their renters, but we know from experience that this is rarely the case. Given the financial straits faced by many Kansas renters, resuming the Homestead tax credit

will ease their housing burden, allowing them to participate in the benefits of property tax relief that everyone in the legislature acknowledges as necessary.

This elimination of the Homestead Property Tax Refund as a pay-for for the Brownback tax experiment was a mistaken and harmful policy. Reinstating it will correct this injustice, as well as allowing Kansas renters to participate in property tax relief likely to pass this legislature this year. It will also help keep housing affordable in the face of increased property tax assessments, and would be an important factor in keeping low-income renters from becoming housing-insecure or even homeless. KIFA encourages this committee to pass the bill on to the full House for passage.

Thank you for your attention.