

Chair Alley and Members of the Committee,

We appreciate this opportunity to submit **proponent testimony for HB 2088**, which requires local governments to decide on building permit applications within 60 days, with automatic approval if deadlines are missed, and amends existing statutes to align with these expedited procedures.. We hold the following position on HB 2088:

- 1. HB 2088 limits permitting delays and it's subsequent costs.
- 2. HB 2088 streamlines government processes.
- 3. HB 2088 mirrors proven successful policy in other states
- 4. HB 2088 lowers the cost of living and boosts housing production

## HB 2088 limits permitting delays and it's subsequent costs

Kansas, like much of the country, is facing a housing affordability crisis. The lack of housing supply drives up prices, making it increasingly difficult for families to find the homes they can afford. According to the U.S. Federal Housing Finance Agency's House Price Index is 71% higher than Jan 2015, ten years ago.<sup>1</sup>

Moreover, permitting delays have a direct and measurable impact on the cost of housing. According to a study from Washington state, every month of delay adds \$4,400 to the price of a new home.<sup>2</sup> This additional cost is passed on to prospective homeowners, pricing many families out of the market. HB 2088 gives a clear timeline for permit decisions, this bill would save homeowners and developers both time and money.

## HB 2088 streamlines government processes

HB 2088 introduces reasonable time limits for local governments to make decisions on permit applications. Under its provisions, if no decision is made within 60 days, the application would be automatically approved. This framework sets clear expectations for local governments while holding them accountable to timelines. By reducing unnecessary bureaucratic delays, this legislation will allow property owners and developers to move forward with confidence and efficiency.

## HB 2088 mirrors proven successful policy in other states

HB 2088 is a model found in other states, named as the "shot clock" model. In 2019, Texas enacted House Bill 3167, establishing a 30-day "shot clock" for municipalities to approve or deny development permits. If a decision is not made within this timeframe, the application is

<sup>&</sup>lt;sup>1</sup> U.S. Federal Housing Finance Authority, *House Price Index*, <u>https://www.fhfa.gov/data/hpi</u>

<sup>&</sup>lt;sup>2</sup> Building Industry Association of Washington, *Cost of Permitting Delays*, <u>https://www.biaw.com/research-center/cost-of-permitting-delays</u>

automatically approved. This legislation has streamlined the permitting process, providing developers with greater predictability and encouraging timely housing development.<sup>3</sup>

Florida's "shot clock" legislation sets specific timeframes for local governments to review and respond to building permit applications. In the first year following the implementation of this reform, Florida experienced a 30% increase in new building permits compared to the previous year, significantly surpassing the national average.<sup>4</sup>

In 2022, California passed Assembly Bill 2234, which establishes new time limits on building departments and local enforcement agencies to streamline the review of building permits, depending on the development project size.<sup>5</sup>

By adopting HB 2088, Kansas can address housing shortages and promote economic growth on par with effects seen in other states.

## HB 2088 lowers the cost of living and boosts housing production

Faster permitting processes will reduce costs for developers, enabling them to build more homes at lower prices. These savings are not just financial—they represent faster timelines and fewer barriers for businesses investing in Kansas communities. A growing housing market will attract new residents, businesses, and investments, strengthening our economy and making Kansas an even better place to live and work. This bill is not just about housing; it's about making Kansas competitive in the national economy.

For these reasons, we urge the committee to pass HB 2088.

<sup>&</sup>lt;sup>3</sup> Freese and Nichols, *New Texas Legislation Sets 'Shot Clock' for Development Reviews,* <u>https://www.freese.com/blog/new-texas-legislation-sets-shot-clock-for-development-reviews/?utm\_source=chatgpt.com</u>

<sup>&</sup>lt;sup>4</sup> The Carolina Journal, *NC deserves a 'shot clock' for building permits with consequences*, <u>https://www.carolinajournal.com/opinion/north-carolina-deserves-a-shot-clock-for-government-with-consequences/?utm\_source=chatgpt.com</u>

<sup>&</sup>lt;sup>5</sup> California Building Officials, *ab 2234: Planning and zoning: Housing: Postentitlement phase permits,* <u>https://www.calbo.org/post/permitting-timelines?utm\_source=chatgpt.com</u>