



Kansas Statewide Homeless Coalition

Written Only Opposing Testimony Regarding HB 2119

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Remote Location: Garden City, KS

I am writing to express my opposition to the proposed bill HB 2119 that would eliminate the Affordable Housing Tax Credit (AHTC) in Kansas. The AHTC, which provides a ten-year tax credit matched to the federal Low-Income Housing Tax Credit (LIHTC), is a vital mechanism enabling public-private partnerships to build affordable housing for residents earning 30% to 80% of the area median income (AMI) across the state. Eliminating this credit will have severe consequences for housing affordability, stability, and our state's economic growth.

The current housing crisis in Kansas underscores the importance of the AHTC:

- **Severe Shortage of Affordable Housing:** Kansas is facing a shortage of 52,340 rental homes that are affordable and available to extremely low-income renters.
- **High Cost Burden:** Approximately 73% of extremely low-income renters in Kansas are severely cost-burdened, spending more than half of their income on housing.
- **Mismatch Between Wages and Housing Costs:** To afford a modest two-bedroom apartment at Fair Market Rent (\$1,060 per month), a household must earn \$42,390 annually—far beyond what most low-wage workers earn.

Without the AHTC, affordable housing construction will stagnate, leaving families and individuals vulnerable to increased housing costs, housing insecurity, and homelessness. Kansas saw a **6% increase in homelessness in the 2024 Point-in-Time Count**, and homeless response systems across the state are reporting a rising number of working individuals and families experiencing homelessness. If the AHTC is eliminated, we will undoubtedly see a significant spike in homelessness and housing instability.

It is well-documented that Kansas has been underbuilding housing since before the 2007 recession. The private market alone cannot meet the growing demand for affordable homes. The AHTC is a critical tool to address this gap by incentivizing developers to build housing for low- to moderate-income residents. Without this incentive, developers have testified that affordable homes will not be built, exacerbating an already dire situation.

By preserving the AHTC, Kansas can continue to address housing insecurity, stabilize families, and promote long-term economic growth. This aligns with the Kansas Housing Association Network's (KHAN) core recommendation to maintain the Affordable Housing Tax Credit Act and ensure affordable housing remains a priority across the state.

I urge you to carefully consider the far-reaching impact of eliminating the AHTC and vote against this bill. Kansas must prioritize investments in affordable housing to create stronger, more resilient communities and reduce the growing risks of housing instability and homelessness.

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Thank you for your attention to this critical issue.

Sources: National Low Income Housing Coalition (NLIHC): Kansas Housing Needs, 2024 Point-in-Time Count: KSHC, 2023 Gap Analysis: KSHC