

SESSION OF 2025

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2119

As Amended by Senate Committee on
Commerce

Brief*

HB 2119, as amended, would discontinue the Kansas Affordable Housing Tax Credit match for qualified developments receiving a 4 percent federal low-income housing credit subsequent to the 2025 Qualified Allocation Plan.

The bill would prohibit the Kansas Housing Resources Corporation (KHRC) from accepting applications for the 4 percent low-income housing tax credit after August 15, 2025, and approving any applications for such credit after November 14, 2025.

Any such credit awarded before July 1, 2025, and the 2025 Qualified Allocation Plan would continue to apply through the credit period and any applicable carry-forward period.

[*Note:* The Qualified Allocation Plan governs how the low-income housing tax credits are awarded and is reviewed by the KHRC annually.]

Background

The bill was introduced by House Committee on Commerce, Labor and Economic Development at the request of Representative Tarwater.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

House Committee on Commerce, Labor and Economic Development

Opponent testimony was provided by representatives of the City of Topeka, Advance Capital, Kansas Action for Children, Kansas Bankers Association, Kansas Economic Development Alliance, Kansas Housing Association, Kansas Interfaith Action, Sugar Creek Capital, The Prime Company, and United Community Services of Johnson County. The opponents generally stated the bill would reduce the amount of housing being built in Kansas and the associated jobs and would hinder workforce development.

Written-only opponent testimony was provided by representatives of the cities of Garden City, Lawrence, and Salina; AMD Partners; Boutique Retirement Clubs; Commonwealth Development Corporation of America; Community Housing of Wyandotte County; EmberHope; Enterprise Community Partners; Health Forward Foundation; Hutchinson/Reno County Chamber of Commerce; Jones Gilliam Renz Architects, Inc.; Kansas Statewide Homeless Coalition; Lawrence Chamber of Commerce; Lawrence-Douglas County Public Health; LISC Greater Kansas City; Marian Group; MCP Group; Mennonite Housing; Overland Construction Group; Overland Property Group; Raymond James; Red Stone Equity Partners; Salina Chamber of Commerce; SENT, Inc.; Southwest Kansas Coalition; Thrive Allen County; and Wheatland Investments Group; and by a private citizen.

Neutral testimony was provided by representatives of the KHRC and League of Kansas Municipalities. The testimony generally stated the bill as introduced would take away credits that have been awarded.

No other testimony was provided.

The House Committee amended the bill to include the credits awarded under the 2025 Qualified Allocation Plan.

Senate Committee on Commerce

In the Senate Committee hearing, **opponent** testimony was provided by representatives of American Institute of Architects, Kansas Chapter; Kansas Action for Children; Kansas Economic Development Alliance; Kansas Housing Association; and Sugar Creek Capital, and by a private citizen. The opponents generally stated the Affordable Housing Tax credit is an essential tool for making affordable housing available within Kansas in addition to generating substantial economic activity that also benefits the state.

Written-only opponent testimony was provided by representatives of Advantage Capital; City of Topeka; Health Forward Foundation; Johnson County, Kansas and Johnson County Board of County Commissioners; Kansas Association of Realtors; Kansas Interfaith Action; Kansas Statewide Homeless Coalition; Lawrence Chamber of Commerce; and United Community Services of Johnson County.

Neutral testimony was provided by a representative of Kansas Housing Resources Corporation.

No other testimony was provided.

The Senate Committee amended the bill to remove discontinuation of the credit for developments receiving a 9 percent federal tax credit.

Fiscal Information

A revised fiscal note on the amended bill was not immediately available.

Kansas affordable housing tax credit; Kansas Housing Resources Corporation; federal low-income housing tax credit; housing