



February 7, 2022

Chairman Olson, and Members of the Senate Federal & State Affairs committee, thank you for the opportunity to submit this written testimony on behalf of the Kansas Building Industry Association (KBIA) in support of 375. KBIA is an affiliate of the National Association of Home Builders (NAHB) with nine local building associations and more than 2,000 members across the State of Kansas.

SB 375 creates a Kansas housing investor tax credit program. This act is specifically targeted to communities that lack adequate housing, and the incentives can only be awarded to projects that meet the approval of the Secretary of Commerce when considering specific factors including community need and support as well as the ability for the project to help attract or expand businesses within the community.

In recent years the housing industry has faced headwinds in Kansas. A lack of skilled labor, rapidly rising materials costs and ever-increasing regulatory costs has driven the cost of workforce housing higher and higher. This has been particularly noticeable during the pandemic as housing stock continued to shrink and market factors drove purchase prices higher and higher.

The Kansas Department of Commerce has pointed to the “intersection between workforce and housing” as a critical component of future economic development in our state. The ability to attract new industry to Kansas depends on many factors, but attracting and retaining a viable workforce is near the top of that list. And that workforce needs quality housing.

SB 375 provides a new development tool that Kansas can utilize to drive workforce housing development, while providing ample checks and balances to ensure the projects are desirable, meet existing needs, and are properly located to help community development. Should a qualified project not comply with the provisions of this act it also provides a claw-back mechanism to hold the state harmless.

KBIA believes SB 375 provides an appropriate framework to help address workforce housing in Kansas and urges you to recommend it favorable for passage.

Sean Miller  
Kansas Building Industry Association