



February 9, 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 369. 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 369 creates the Kansas affordable housing tax credit program. This act is specifically targeted to projects that meet the federal definition of low-income housing projects. The recently completed Kansas housing study showed that our state was facing a deficit of housing in virtually every segment of population, but particularly in workforce housing. This deficit limits the ability of our state and communities to attract and grow businesses, particularly in the manufacturing and distribution segments of industry.

In testimony earlier this week I noted the pressures facing Kansas housing: a lack of skilled labor, rapidly rising materials costs and increasing regulatory impacts. These market forces were heightened during the pandemic as federal stimulus and low mortgage rates stoked a fire to purchase housing even with the very limited available inventory.

It's important to remember that housing often mirrors the life cycle of our citizens, from a starter home, to a larger home as families welcome children, and then a downsizing for empty-nesters and retirees. However the recent increased cost of home construction and renovations has led to more families staying put in their existing houses. To some end this disrupts the cycle of housing because there are fewer available options for first-time homebuyers, and fewer options for those families who need extra space to grow. I mention that only to point out that every segment of the housing market plays a critical, and essential role in the community. SB 369 helps to address the pressures on one segment of that housing market.

SB 369 provides another tool that Kansas can utilize to help address the ever changing housing needs in our communities and we ask that you recommend it favorable for passage.

Sean Miller
Kansas Building Industry Association