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To: House Insurance Committee
From: Brandon Fenton, Public Policy Field Director
Date: 2/7/2024

Re: Written Testimony in Support of HB 2663

On behalf of the Kansas Association of REALTORS® (KAR), thank you for the opportunity to provide written testimony in support of HB 2663, legislation that allows title insurance agents to submit escrow, settlement and closing funds through the FedNow real-time payment (RTP) service operated by federal reserve banks or The Clearing House payment company's RTP system.

The Kansas Association of REALTORS® represents over 11,000 members involved in residential, agricultural and commercial real estate and has advocated on behalf of the state's property owners for more than 100 years. REALTORS® serve an important role in the state's economy and are dedicated to working with our elected officials to create better communities by supporting economic development, a high quality of life and providing affordable housing opportunities while protecting the rights of private property owners.

The FedNow and The Clearing House RTP systems represent additional tools for hopeful property owners and sellers in transacting escrow, closing and settlement costs. The real-time and 24/7 nature of these systems decrease uncertainty and the potential for delays in these transactions. The security features in both systems offer enhanced fraud protections to Kansans engaged in buying and selling real property. KAR recognizes the many positive impacts RTP systems could have on the real estate market in Kansas, not limited to those mentioned above. It's also important to note that this bill does not take away traditional methods of opening an escrow account and submitting funds through traditional means. It simply adds the two RTPs to the toolbox of transmitting escrow, settlement or closing funds.

In conclusion, KAR supports the benefits these additional tools bring to real estate transactions by HB 2663 and similar proposals that increase efficiency and availability of real-time payment systems for people seeking to buy or sell property. Thank you for your time and consideration of our testimony.