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**Kansas Department of Commerce
Testimony on SB 37
Rachel Willis, Director of Legislative Affairs
at the Kansas Department of Commerce
Senate Financial Institutions and Insurance
February 8, 2023, 9:30 A.M.
Room 546 S**

Thank you for allowing us to testify in support of SB 37. This bill expands the transferability of income, privilege and premium tax credits issued under the Kansas Housing Investor Tax Credit Act.

During the 2022 session, the legislature recognized the housing crisis our state is facing and created some great tools to help provide solutions that will ultimately lead to more housing opportunities across the state. We appreciate the legislature's willingness to work on this problem and continue to address the housing needs this session. We believe that this bill will enhance and improve the work that was done last session.

SB 37 states that the credit or a portion of it may be transferred by the qualified investor or any subsequent transferee without limitation or restriction. This means that there can be multiple transfers of a credit or a portion of the credit. This will maximize the flexibility of this tool, increase the overall value of the credit and increase the pool of potential housing investment funds.

Additionally, this bill allows these changes to be retroactive. Since the Kansas Housing Investor Tax Credit Act went into effect on July 1, 2022, and our state's housing needs are significant, we support this component as well.

Credits are only a strong tool if they can be properly used or applied. SB 37 expands the usage making it a more effective housing tool.

Thank you for allowing us to testify as proponents to SB 37. Please consider passing SB 37 favorably.