



KANSAS BANKERS ASSOCIATION

Date: February 7, 2022

To: Senate Committee on Federal and State Affairs
Senator Rob Olson, Chairman

From: Alex Orel, Senior Vice President – Government Relations
Kansas Bankers Association

Re: Verbal Proponent Testimony – SB 376

Mr. Chairman and committee members, I am Alex Orel providing proponent testimony on behalf of the Kansas Bankers Association (KBA). The KBA was organized in 1887 and our membership includes 99% of the 220 banks and savings & loans headquartered in Kansas. Our membership also includes 20 out-of-state commercial banks operating in Kansas. The Kansas banking industry employs more than 22,000 Kansans that provide financial services in every county across the state. Our organizational mission statement is:

"Together, we support our member banks and bankers with leadership, advocacy, and education to benefit the communities and customers they serve."

The KBA recognizes that there is a shortage of attainable housing for both low-income and moderate-income Kansans. A shortage of quality housing is an undeniable barrier to economic growth and development for any community whether it be rural or urban. Bankers are committed to seeing that everyone with the dream of homeownership has that opportunity. At the direction of its members, the KBA supports policies that will encourage improvement of existing houses, generate new construction, and incentivize financial investment in the communities and for the customers bankers serve.

Thank you for the opportunity to submit proponent testimony today in support of SB 376, which would expand the Kansas Rural Housing Incentive District Act and increase the amount transferred to the State Housing Trust Fund from \$2 million to \$20 million. This bill would add the city of Topeka to the definition of city within the Kansas Rural Housing Incentive District Act. It would also allow bond money in the Act to be used for the renovation or construction of single-family residential dwellings, multi-family residential dwellings, or buildings or structures for residential use on existing lots. This bill would also increase the amount transferred to the State Housing Fund to \$20 million to be used only for loans or grants to cities or counties for infrastructure or housing development in rural areas. We view this bill as another tool in the tool box to help our communities grow by making housing more attainable which will then attract new residents, businesses, and jobs to all parts of our state.

As stated above, our mission at the KBA is to support the banking industry to benefit the communities and customers they serve. We support SB 376 as a means of accomplishing that mission. Again, Mr. Chairman, thank you and if you or the committee have questions or require additional information, don't hesitate to get in touch with me at aorel@ksbankers.com or (785) 232-3444.