

WRITTEN ONLY

**House Financial Institutions and Pensions Committee
Statement in SUPPORT of SB37, Kansas Housing Investor Tax Credit Act
March 15, 2023**

Mr. Chairman and members of the committee:

My name is Brad Smoot and I am pleased to express support of Senate Bill 37 as amended on behalf of the American Property Casualty Insurance Association (APCIA).

Representing nearly 60 percent of the U.S. property casualty insurance market, APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. In Kansas, APCIA's members write more than \$4.2 billion in property and casualty insurance premiums.

We believe premium tax credits offer a smart means to promote investment in a better housing market. Those investments can have ripple effects to create opportunities and growth in the state's economy.

The Senate added language to the original bill to avoid unintended consequences related to insurance retaliatory taxes. Retaliatory taxes come into play when an out-of-state insurer from a higher tax state does business in Kansas. If retaliatory protections are not added to this bill, out-of-state insurers would be less likely to participate in the program because these insurers could lose the benefits of these tax credits if they have to pay increased retaliatory taxes as a result of getting these tax credits

To solve this problem, the Senate selected the same language used in other tax credit statutes in Kansas. This language can be found on page 3, lines 27-29, subsection (f).

With the Senate amendment, APCIA whole heartedly supports the passage of SB37.