

STATE OF KANSAS  
HOUSE OF REPRESENTATIVES



**BLAINE FINCH**  
SPEAKER PRO TEM

March 3, 2021

**In re: Testimony to the House Financial Institutions and Rural Development Committee in Support of HB 2429**

Honorable Chairman Kelly, Vice Chair Hoheisel, and Ranking Member Xu:

I appear before you today in support of HB 2429. This bill creates a low interest loan program to help bridge the gap for Kansas communities that were hit with surprise energy costs after last month's cold snap.

The priority is to make sure Kansans, no matter where they live, are not hit with unfair utility bills. This will help mitigate the trickle-down effect on our families and businesses located in those cities that had no choice but to pay these higher costs.

The bill would make \$100 million in state idle funds available to affected cities in the form of low-interest energy loans, at a rate of 2% less than market, but not less than 0.25%, and for a period of up to 10 years. This would allow cities to more affordably pay down the costs over time so they can keep the impact on consumers to a minimum.

Last month, skyrocketing natural gas prices and a drop in production for other energy sources collided with increased consumer demand. As a result, some cities had to spend more on natural gas during the 10-day cold period than they had budgeted to spend for the entire year.

While we wait to see what if any federal action will be taken to address this hit, this bill gives local leaders – especially in our rural areas – a lifeline for preventing price surges and protecting what they've worked so hard to build in their communities.

Many affected communities have received their first bill for these costs at as much as 100 times the amount of their normal bill. They are about to receive their second bill. I urge the committee to take swift action to head off a secondary disaster that would lead to huge price increases for customers or large jumps in property taxes to pay these bills. This program can help avoid both of those outcomes and secure a stronger and more stable future for our communities.

Respectfully yours,

Rep. Blaine Finch

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