



Kansas Advocates
for
Better Care

Making Elder Care Better Since 1975

*Founded in 1975 as **Kansans for Improvement of Nursing Homes** by concerned citizens like you.*

March 19, 2015

Chairman Donovan, and members of the Senate Committee on Assessment and Taxation:

Thank you for the opportunity to offer comments in opposition to SB 261. Kansas Advocates for Better Care is a not-for-profit organization, beholden to no commercial interests and is supported almost entirely by donations from citizens who support our mission of improving the quality of care in all long-term settings. KABC was among a handful of non-profit consumer advocacy groups which worked to win passage of the Nursing Home Reform Act of 1987.

KABC strongly opposes repealing the sales tax exemption for utilities such as telecommunications, gas, electricity, heat and other sources of fuel. More than 382,600 Kansans are over the age of 65, most of who are no longer employed and live on a fixed income of Social Security and retirement benefits. More than 7% of those elder Kansans live below the federal poverty level and struggle to make ends meet each month. The 2012 Census counts another 21,873 Kansans age 50-64 live below 138% of the federal poverty level and are uninsured.

The availability and affordability of these services are particularly critical to an elder's health and safety, especially if they are home-bound. Because they live on a fixed income, elders often spend a greater proportion of their income on utility costs. It is estimated that one quarter of low-income older households spends 15% or more of their entire income on home energy bills.

A sales tax increase on utilities disproportionately hurts elders. Many depend on their landlines to power their alert systems as well as providing a connection to family and friends. Chronic health conditions require adequate heating and cooling and/or oxygen. Making elders bear the additional burden of a sales tax increase on utilities puts their health and safety at risk, can make them eligible for Medicaid sooner and ultimately, can force them into nursing home care.

This is a tax that places an unnecessary burden on all medium and low-income Kansans, particularly our elders. **KABC urges you to oppose repealing the sales tax exemption on utility costs. SB 261 places a heavy financial burden on Kansas elders and puts their health and safety at risk.**

On behalf of KABC members and volunteers,
Mitzi E. McFatrach, Executive Director