



To: Sen. Carolyn McGinn, Chair, and Members,  
Senate Ways and Means Committee  
From: Debra Zehr, President/CEO  
Date: Tuesday, March 6, 2012

### **Please Support Senate Bill 427**

Thank you, Madam Chair and Members of the Committee. I am the President and CEO of LeadingAge Kansas, formerly known as KAHSA. Our 160 members include not-for-profit nursing homes and other adult care homes, and elderly housing and community-based services providers throughout the state.

We ask for your support of Senate Bill 427, which amends the Kansas Housing Loan Deposit Program statute to allow adult care homes to borrow up to \$2 million for facility rehabilitation or building at 2% below market rate, amortized over twenty years.

Adult care homes provide housing for persons who require ongoing health care and other supportive services. Many small rural and frontier adult care homes were built in the 1960's and early '70's, making them difficult and costly to maintain and operate. Most need to downsize and modernize their nursing home and diversify into other services like assisted living or homes plus to meet changing consumer preferences and government payor expectations. A major barrier to addressing these needs is difficulty accessing affordable capital. Senate Bill 427 can help.

Thank you, Madam Chair and Members of the Committee. With your permission, I would like to turn to John Grace, Dianne Powell and Laura O'Neil to provide a birds' eye view of small rural/frontier adult care homes, their building needs and financing challenges.