2107 Industrial Dr., McPherson, KS 67460, P: 620-241-6693 F: 620-241-6699 www.mcds-ks.org

NAME: Doug Wisby President/CEO MCDS

BILL: HB 2044

SUPPORT: In support of this bill TESTIMONY: Written and oral

COMMITTEE: House Committee on Commerce, Labor and Economic Development

January 24, 2019

Honorable Representative Sean Tarwater
Chairperson
Kansas House Committee on Commerce, Labor and Economic Development
Kansas State Capital Building
Room 112-N
300 SW 10th Street
Topeka, Ks. 66612

RE: HB 2044

Dear Representative Tarwater and Distinguished Members of the Committee:

I am providing written and oral testimony on behalf of Multi Community Diversified Services a community service organization that has provided services to persons with intellectual and developmental disabilities for 45 years.

House Bill 2044 provides for a 15% tax credit on the purchase of products and services produced by persons who are blind or severely disabled in Kansas. It is the intent of this bill to move persons with severe disabilities off of Medicaid and the Home and Community Based Wavier to gainful, community employment with companies that are:

- 1. Non-profit.
- 2. Have a primary purpose of employing persons who are blind or severely disabled.
- 3. Pay minimum wage or better.
- 4. Offer health insurance or contribute towards the cost of insurance.
- 5. Produce products and services that are cost and quality competitive with what is available in the marketplace.

The benefits to the state are many:

1. State General Fund savings of over .43 cents on every dollar of Medicaid spent on wavier services.



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- 2. Additional state income tax revenue for wages paid to employees.
- 3. The capture of sales tax revenue for purchases made with wages paid.
- 4. The turn of dollars kept in the state of Kansas.
- 5. Individuals who are now covered under commercial health insurance not Medicaid.

Intangible benefits:

- 1. Increased self-esteem for individuals who now work.
- 2. Reductions in behaviors and hospitalizations for individuals who can now work and provide for themselves and their families.
- 3. The state and society both benefit when individuals can be more productive.

This bill is a rare win for everyone involved. Please support the passage of HB 2044.

Sincerely,

Doug Wisby

President/CEO