



March 9, 2023

**Testimony in Support of Senate Bill 101**

Chairman Tyson and Members of the Committee on Taxation:

Thank you for the opportunity to present testimony in favor of Senate Bill 101. We represent much of the area served by the North Central-Flint Hills Area Agency on Aging. We can all recognize the important work that these agencies provide to older residents through senior centers, friendship meals, Medicare assistance, and other programs. These agencies promote the health and welfare of those they serve and are consistently asked to provide more services with fewer resources. This trend has become even more obvious as inflation has decreased buying power and had a disproportionate impact on the delivery of food services.

It is equally important to note that the way these agencies were initially created has left a legacy of disparity among the agencies themselves. The three agencies which are operated directly by counties (mostly urban areas) are exempt from sales tax, while the eight which are organized as non-profit organizations must pay sales tax. These non-profit agencies operate many buildings and often must use their budgets to cover the large capital costs of keeping those buildings in good repair. The need for proper maintenance, obviously, results in substantial sales tax costs. Agencies located in urban areas do not pay sales tax and get to put that money back into their programs, while the non-profit rural agencies do not. Removing the sales tax burden on the non-profit agencies provides greater equity among the agencies and, as a result, greater equity for all older Kansans across the state.

These agencies perform important and essential work for older Kansans, people living with disabilities and caregivers. The fiscal note is small and there is a disparity between the agencies that serve urban and rural populations. We ask that you support Senate Bill 101 and enhance support for older constituents, people living with disabilities and their caregivers.

A handwritten signature in black ink that reads "Usha Reddi". The signature is written in a cursive style.

Usha Reddi  
District 22

A handwritten signature in black ink that reads "J.R. Claeys". The signature is written in a cursive style.

J.R. Claeys  
District 24