

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 2416

SUPPORT: In support of this bill

TESTIMONY: Written only

COMMITTEE: Senate Assessment and Taxation

March 16<sup>th</sup> 2018

Honorable Senator Caryn Tyson Chairperson Kansas Senate Assessment and Taxation Committee Kansas State Capital Building Room 548-S 300 SW 10<sup>th</sup> Street Topeka, Ks. 66612

RE: HB 2416

Dear Senator Tyson and Distinguished Members of the Committee:

I am providing written testimony on behalf of Multi Community Diversified Services a community service organization that has provided services to persons with intellectual and developmental disabilities for over 42 years.

House Bill 2416 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 .45 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 in state vs. out of state (if no use tax paid).
- 4. The turn of dollars kept in the state of Kansas as wages paid. I.E. additional sales tax dollars received, etc....
- 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 benefits when individuals can be more productive.

This bill is a rare win for everyone involved. Please support the passage of HB 2416.

Sincerely.

Doug Wisby

President/CEO