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SERVING 18 COUNTIES IN NORTHWEST KANSAS

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Testimony in Support of HB 2416 – Providing Sales Tax Exemption for Area Agencies on Aging

Thank you for the opportunity to visit with you about HB 2416.

The Northwest Kansas Area Agency on Aging (NWKAAA) is part of a national network of agencies created in 1973 by the Older Americans Act. It is a private, non-profit organization with the responsibility of administering Older Americans Act programs in the 18 counties of northwest Kansas. Designated as the local single point of entry, the NWKAAA serves as the unbiased, trusted source for older Americans and their caregivers. Our goal is to help older adults remain safely in their homes and communities for as long as possible. Whether it is information on available options, in-home services, nutrition services, or insurance counseling, a senior only needs to make a call to the local Area Agency on Aging office to be connected to resources needed to help them remain independent in their homes and communities. Additionally, as a grassroots organization, advocacy for older adult services is a high priority of an Area Agency on Aging.

According to the Administration for Community Living, by 2030, 73 million – or one in five-people in the U.S. - will be 65 or older. Regardless of age, geographical location, income, or political affiliation, older adults generally agree on one thing: they want to age in their own homes and communities rather than in institutional settings.

Due to the growing aging population, it is imperative we leverage and maximize the value of our service dollars as much as possible to support the needs of all older Kansans and caregivers - no matter which part of the state they choose to live.

Currently there are eight non-governmental, nonprofit Area Agencies on Aging that pay state sales tax and three county government Area Agencies on Aging in Kansas that are exempt from state sales tax. In northwest Kansas we anticipate paying an average of \$48,000 in state sales tax per year. Based on this figure, if sales tax exemption was established for all Area Agencies on Aging, my rural agency could provide over 2,900 more hours of attendant care or homemaker services to help older adults live in the setting of their choice. To put this in perspective further, about 72% of NWKAAA's revenue for services are from governmental tax sources.

I respectfully request the committee consider balancing the value of service dollars across the state so that no matter which region of Kansas an older adult chooses to live, adequate services are available to them. Services and providers are limited in western Kansas, so it is imperative to have an equitable value of allocated resources available to meet the needs of older adults.

Thank you for your interest in HB 2416 which would create resource parity and maximize dollars from tax-based sources across the state for older Kansans in need of services.

Thank you,
Michelle Morgan, Executive Director
Northwest Kansas Area Agency on Aging