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Chairman Rhoades and Members of the House Appropriation Committee, my name is Pat Jonas, President & CEO, of the Cerebral Palsy Research Foundation of Kansas and I want to thank you for allowing me to provide testimony in support of House Bill 2442.

I would also like to thank Lt. Governor Colyer, his chief of staff, Mark Dugan, Representative Henry, who has been a true advocate for people with disabilities and most notably, Representative Crum for reaching out to myself and other colleagues who provide services for people with disabilities within the State, for guidance and input when drafting this legislation.

FINDINGS:

- (1) Over three quarters of a billion dollars will be invested on Special Education in the State of Kansas this year to help young people with disabilities meet their maximum potential, yet the data samples from the Department of Education show that over the last 3-years only 25% of the students on average are competitively employed at one year, post graduation.
- (2) New congressional estimates state the trust fund that supports Social Security disability will be insolvent by 2018 and that applications are up 50% over a decade ago. According to SSA's policy research site only ½ of 1% of the current SS disability beneficiaries will come off the roles annually and move into employment.
- (3) Relative employment for people with disabilities has been decreasing since 1980, even with the passage of the Americans with Disabilities Act. (Attachment 1)
- (4) There are currently over 15,000 working age adults in Kansas State waiver programs and an additional 7,300 on the Developmental Disability and Physical Disability waiting lists alone.
- (5) The average cost of waiver services for working aged adults is approximately \$37,483 each year with the States portion of match totaling nearly \$15,000 per person.
- (6) If only 1 percent of people with severe disabilities now utilizing waiver services or on the waiting list in the State of Kansas were competitively employed, the projected 10-year cost savings to the State would be over \$33 million dollars. This figure does not account for the millions of dollars in savings to Social Security at the Federal level.

A PROVEN MODEL:

CPRF founded two organizations, Center Industries Corporation (CIC) in 1975 and Business Technology Career Opportunities (BTCO) in 2001, both incorporated as 501(c) 3 support organizations to CPRF, with the two-fold mission of providing competitive employment opportunities for persons with disabilities and financial assistance to the underfunded programs of CPRF.

Roughly half of the nearly 300 full-time employees at CIC and BTCO have a documented disability with the majority of those people having significant disabilities who have experienced limited competitive employment opportunities in the private sector.

The relevance of what we do, as it pertains to this legislation, is that we have proven; if given the chance that many folks, even with significant limitations can thrive in a competitive work environment. We provide commensurate wages with the market, a robust health care plan and matching retirement benefit program that allows all of our employees the opportunity to move away from a life of government dependency to one of independence. Our limiting factor for growth is not the lack of people with disabilities wanting to work but the lack of work itself.

We are hopeful that this new legislation will assist in providing a remedy for this dilemma and in addition provide the incentive to private sector business to take a better look at someone with a disability as a potential employee. We fully understand that this legislation will not serve the needs of all those with disabilities in the State and will not appeal, to all of the many vendors who the contract with the State. What we do believe is a new approach is past due and something must be done differently than has been tried over the last several decades to promote the employment of persons with disabilities.

TOP THREE QUESTIONS ASKED:

- (1) **Is this another set-aside?** No, unlike Federal SBA preference programs which are limited in eligibility due to; size, geography, gender or ethnicity; this bill allows any company operating in the State of Kansas and willing to hire people with disabilities or outsource to those that do, the opportunity to participate in the program.
- (2) **Don't health insurance premiums go up?** Our health insurance premiums average 2.8% higher vs. the national average. This however does not take into account that our health coverage is very generous vs. the comparable national average and that is intentional to keep co-pays and deductibles more affordable for our employees. (Attachment 2)
- (3) **What about incentives for businesses that do not do State work?** We are hopeful that in the near future, that alternative incentives can be put forth to private sector companies who do not perform work for the State of Kansas, that will accomplish a similar goal of increasing employment opportunities for people with disabilities.

For the many reasons stated I encourage members of the Committee to support HB 2442.

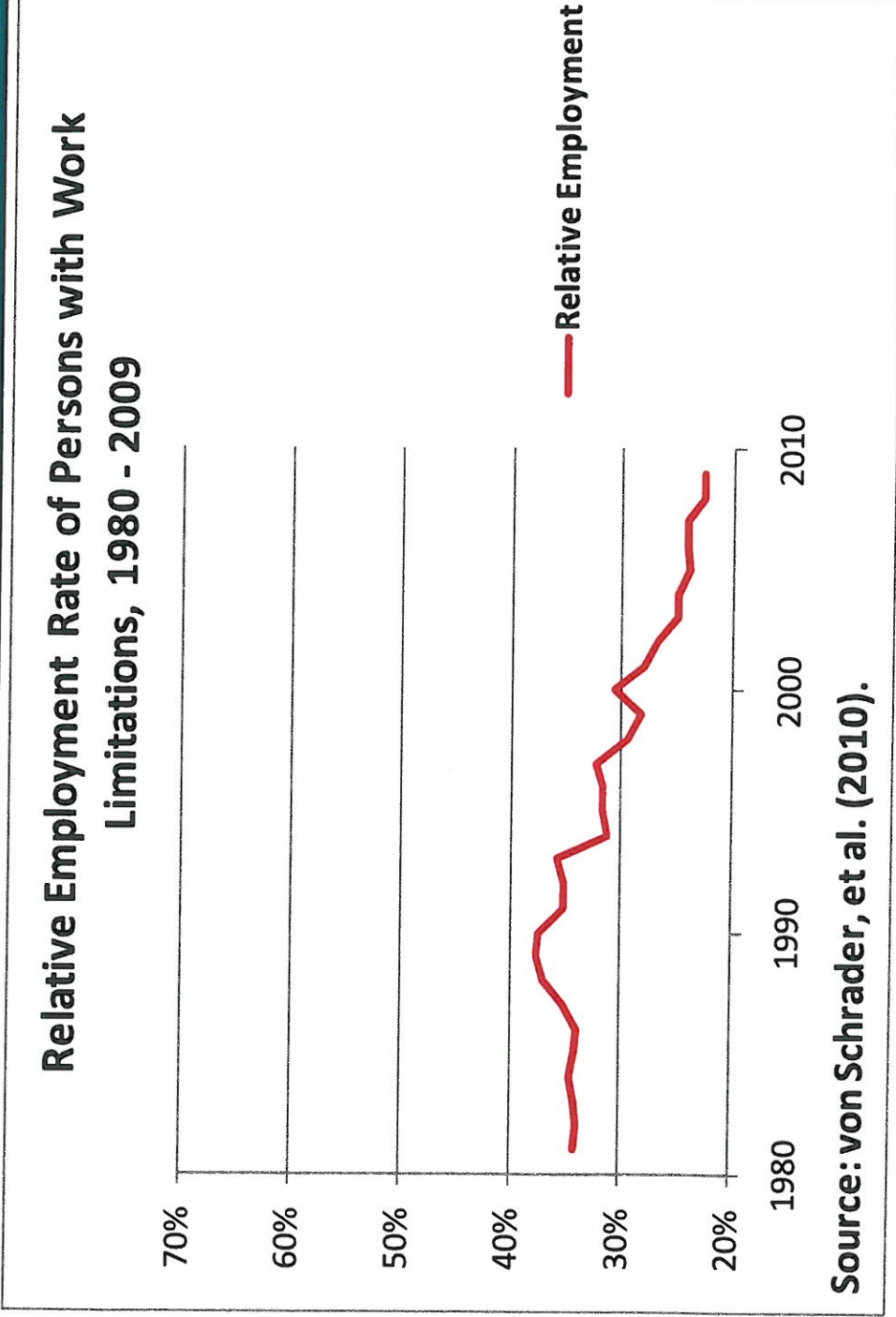
INTRODUCTIONS:

Robert Hammer – BTCO Employee

Dennis Arnold – BTCO Employee

Dan Augustin – CPRF Board Member

The Underlying Problem: Fewer People with Disabilities Are Working



CPRF / Center Industries Average Annual Premium Costs versus National Average

