

Senate Assessment and Taxation Committee
Testimony in Favor of HB 2416
April 4, 2017

Chair Johnson and Honorable Committee Members,

I am Natalie Bright submitting comments on behalf of the Coalition for Opportunity in favor of HB 2416, which proposes to create a tax incentive for the private sector to assist with employing persons with disabilities. The Coalition for Opportunity is comprised of organizations that participate as vendors in the Kansas SUL program. Kansas has a long history of supporting persons with disabilities through the policy that state agencies, universities and unified school districts purchase products manufactured by blind and disabled Kansas citizens. Through this program, employment opportunities are created for these Kansans that otherwise may not exist. This Kansas State Use Law is set out in K.S.A. 75-3317 et seq.

Currently, our Coalition membership is as follows:

- Business Technology Career Opportunities (BTCO), subsidiary of Center Industries, Inc. www.btcoinc.com
- Envision, www.envisionus.com
- Goodwill Industries Easter Seals of Kansas, Inc., goodwillkansas.easterseals.com
- Kansas Elks Training Center for the Handicapped (KETCH), www.KETCH.org
- OCCK Inc., www.occk.com
- TARC, www.tarcinc.org

Collectively, the SUL vendors employ 100's of blind and disabled Kansans, many who were afforded opportunities to earn a competitive wage, obtain access to health benefits and sustain viable employment because of the opportunities created by the SUL program. In addition, even more blind and disabled persons are helped by the dollars reinvested in the missions of the SUL not-for-profit employers. Nationally, and in Kansas, there is a strong desire to provide competitive employment for all who are blind and disabled.

HB 2416 proposes a new tax credit for private sector businesses who either purchase products from or contract for services with a SUL vendor. For years, the SUL Oversight Committee, a group comprised of stakeholders interested and participating in the SUL program, have sought ways to incent the private sector to also participate in the SUL program and assist with employing persons with disabilities.

The Coalition for Opportunity, in partnership with other stakeholders, supported the creation of the program, the Bidder Preference Program, which created a state procurement incentive that engages the private sector in hiring Kansans with disabilities as well as purchase goods and services from SUL vendors. The goal of the program is to increase SUL sales and decrease the high unemployment rate for persons with disabilities. Unfortunately, the bidder preference program has not been successful because it is limited to state contractors only.

The components of HB 2416 outline a new incentive program, which we believe, will motivate more private sector businesses to participate in the SUL program. By purchasing products and services from a SUL certified businesses, private sector companies will be eligible for an income tax credit. By increasing the sales of SUL certified businesses, additional competitive and integrated work opportunities for the disabled will be created.

While we continue to work with our partners to address the high unemployment of the blind and disabled, they are still the population with the highest unemployment rate in Kansas. I urge you join our efforts and support the passage of HB 2416.