

Goodwill of Western Missouri and Eastern Kansas Comments by Edward J. Lada, Jr. President and CEO

House Committee on Taxation March 12, 2020

Goodwill of Western Missouri and Eastern Kansas (Goodwill MOKAN) empowers people to discover their potential and adapt for the future through the power of work. Our model provides services throughout the entire employment continuum; we support individuals in engaging the workforce, retaining work, gaining skills, and advancing their careers. In 2019, our organization assisted more than 3,500 individuals, providing over 15,000 services and securing jobs for 849 people. We strive towards our vision of building sustainable and prosperous communities.

Goodwill MOKAN provides workforce development services, job training, and employment in 82 counties across western Missouri and eastern Kansas, focusing our programs in the following counties: Jackson, Clay, Platte, Wyandotte, and Johnson. We support individuals with different abilities and disadvantaging conditions, such as persons with physical challenges or cognitive disorders, limited education and work history, criminal backgrounds, underemployment or unemployment, or a situational barrier such as lack of transportation or housing.

We believe every person deserves the opportunity to work. Employment is more than a paycheck. It is independence, agency, dignity, and equality. Jobs empower people to support themselves and their loved ones, pursue life goals, and participate in their communities.

Goodwill MOKAN opposes HB 2727 because it would require the repeal or suspension of an existing sales tax exemption when implementing any new exemption. Capping the number of exemptions in this way would pit nonprofits against one another and force them to fight over the tax exemption. It would create a sense of uncertainty in every nonprofit in the state, since at any moment any tax-exempt status could be ripped away. It also puts legislators in the position of deciding winners and losers among tax-exempt organizations with no criteria for the decision beyond fiscal liability to the state.

Removing a tax-exempt status from an organization would negatively impact that organization's ability to carry out its mission. The expense could lead to a trade off with other programs and services the nonprofit provides, or even staff employed. That would harm not only the organization's solvency, but all the people that organization serves. The elimination of tax-exempt status may also reduce that organization's access to certain philanthropic funding sources.

HB 2727 poses a great threat to nonprofit organizations and Goodwill MOKAN strongly urges you to oppose this bill.

Our Mission-