



February 10, 2013

Dear Chairman Kinzer and members of the Judiciary Committee,

KC Healthy Kids respectfully submits this written testimony in opposition to House Bill 2188 on the grounds that the bill's inefficient, redundant reporting requirements create a hostile climate for small and mid-sized nonprofits, thereby placing the state at a competitive disadvantage in an important economic sector. In 2010, the nonprofit sector generated \$13 billion in annual revenues in the state, and employed 93,550 Kansans – about 7% of the workforce.

The administrative and technical costs for complying with HB 2188 will be prohibitive for many nonprofits. Furthermore, it is unclear that the additional reports will provide any information not already available for public review. The state legislature would, by passing HB 2188, be requiring significant increases in overhead costs, while doing nothing to improve transparency and public dollars. These burdens represent government at its worst and stand in the way of efficiency and productivity.

When KC Healthy Kids opened its first full offices last year, we chose to do so in Wyandotte County, proudly becoming one of the more than 18,000 nonprofit organizations located in Kansas. Our locating in Kansas City, Kansas, made sense for a variety of reasons. KC Healthy Kids partners with neighborhood associations, community organizations, local governments, schools, and businesses throughout the metropolitan area to support community solutions to improve children's health and prevent childhood obesity. Working in Leavenworth, Wyandotte, Johnson, and Miami counties, we have a stake in the community, and wanted our office location to reflect this.

As a recipient of a multi-year USDA grant, KC Healthy Kids already complies with stringent financial reporting requirements. Such reports are public record. HB 2188 requires that redundant financial reports be made available online by any public entity from whom funds were received, *and* by the recipient organization. This bill would force an expansion of our website structure and capacity as well as ongoing online database management services, which will cost us thousands of dollars. KC Healthy Kids may be able to absorb the administrative overhead of such website and data management changes, but many organizations cannot. Two recent renovations of our website, including the development of a database, cost us approximately \$5,000 and \$25,000.

These are prohibitive figures for many of our partner organizations, which include neighborhood associations and community groups with shoestring budgets. Indeed, we believe HB 2188 threatens the viability of a number of partner organizations and their projects. If their viability is threatened, then our ability to operate effectively in Kansas also comes into question.

We respectfully urge members of the Judiciary Committee to reject HB 2188.

Sincerely,

Gretchen H. Kunkel
President

**Please note our new address:
650 Minnesota Avenue
Kansas City, KS 66101**