



Leawood Chamber of Commerce Testimony in Opposition to HB 2188
Presented to the House Judiciary Committee
February 12, 2013

2013

Presidential

Sponsors

- ✦ AMC Theatres
- ✦ Country Club
Bank
- ✦ Menorah Medical
Center
- ✦ St. Joseph
Medical Center
- ✦ Shawnee Mission
Medical Center
- ✦ Town Center Plaza

One of the primary objectives of the Leawood Chamber's legislative priorities is *"When a marketplace is governed effectively by market dynamics, government should seek to minimize regulatory burdens. Government policy should ultimately seek to empower customers, not regulators. Accordingly, government should refrain, to the maximum extent possible, from regulating the marketplace so as to promote fair competition and stimulate investment in an atmosphere of regulatory predictability."*

2013

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While this may not have been the original intent, as written, HB 2188 creates disincentives for people to do business with non-profit organizations located in the State of Kansas, or for non-profits to locate their businesses in the State of Kansas.

In fact, it would serve to discourage any non-profit from locating in our State and taking with it jobs that are critical for the economy in many parts of our State. It places a significant administrative burden on all non-profits located in Kansas, and would require that these organizations re-direct precious resources from providing services to their clients, to documenting the flow of funds well beyond the standards place on any organization, public or private. The annual financial reports for these non-profits are publically available, including compensation of key executives, as required by Federal law. What purpose could this legislation serve, other than to create a bureaucratic administrative burden for all non-profits based in Kansas, from chambers of commerce to organizations providing services to handicapped children? Would we rather have these organizations spend their money providing services, or filling out paperwork?

In the realm of economic development, if all activity with businesses considering moving to Kansas, and taking advantage of incentives offered by our State, were not kept confidential, we can rest assured that businesses would cease to look at our State as a viable alternative for the relocation of their business. Confidentiality is so critical to these businesses, from protecting employee morale, to complying with SEC regulations, that they could not risk that their contemplation of relocating in Kansas be made public prior to an official announcement.

The Leawood Chamber therefore testifies in opposition to HB 2188.

Thank you for your consideration of our testimony.