

February 20, 2023

RE: SB 133

Mr. Chairman and members of the committee:

As an endowment benefactor at Wichita State University and Kansas State University, I write to you expressing support for Senate Bill 133.

Currently, donors may give money to a charitable endowment with specific instructions for how they would like the gift to be used or invested. When a charity agrees, accepts the gift, and then violates the agreement, donors have no recourse to enforce our written agreement. This legislation provides a legal pathway for the enforcement of written endowment agreements and provides support for both donors and charities in Kansas.

Charitable endowment giving is critical to our state's nonprofits and higher education system. Many times, it's used by benefactors to support a specific passion or cause they strongly believe in so it's important that our state provide for the security of those agreements while providing the charities a tool that allows them to effectively manage the gift. This bill provides both.

As an endowment benefactor, Senate Bill 133 would encourage philanthropic giving by:

- Giving donors the ability to file a complaint with the court within six years of a violation being found in a written endowment agreement.
- This legislation also provides the courts with guidance should a violation be found, ensuring that the charity's mission as well as the intent of the written agreement is consistent with how the agreement is executed. As importantly it also allows the charity a clear legal pathway to seek revisions to the agreement should circumstances change. It also protects the charity by ensuring that the courts could not award damages or require a refund.

Protecting donor intent means donors may give freely without concern that their mutually-agreed upon instructions will later be discarded.

With the passage of Senate Bill 133, donors can be confident that their wishes will be respected and they are more likely to contribute generously to the charities that meet the needs of society. Charities and the communities they serve are the ultimate beneficiaries of fostering a culture of giving in Kansas and advancing positive policy changes.

Thank you for your consideration and I urge your support of this legislation.

Sincerely,

Mark Hutton