

February 12, 2103

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Metro Chamber of Commerce and our nearly 1,700 members, thank you for the opportunity to appear before you today regarding HB 2188. The Wichita Chamber reluctantly stands in opposition to this legislation.

The Wichita Chamber has a long history of supporting transparency and accountability when it comes to the use of taxpayer dollars. We believe that anytime tax dollars are spent the public and the policymakers who oversee those expenditures have a right and obligation to see that those funds are used wisely and to the greatest benefit of the general public.

However, we are very concerned with the requirements proposed in HB 2188. We believe that it is overreaching and in many applications will be impractical, if not impossible, to comply with. In addition, this legislation, in its current form, will have the unintended consequence of putting Kansas at a competitive disadvantage in the war for jobs and the creation of wealth.

The Wichita Chamber is the parent organization of the Greater Wichita Economic Development Coalition (GWEDC). GWEDC is a partnership between the Wichita area business community, the City of Wichita and Sedgwick County. GWEDC's sole mission is the creation and preservation of private sector employment in South-Central Kansas. The overwhelming majority of GWEDC funding is from the private sector business community. GWEDC does have a contract for services with the City of Wichita and Sedgwick County to market SC Kansas business opportunities to the rest of the United States and World.

This contract for services and the performance of GWEDC is reviewed annually by the people's elected representatives on the City Council and County Commission. In addition, an outside accounting firm completes a thorough audit of all financial activity annually. An annual report is also made available to the public as required by state statute. In fact, this annual report is produced by and after a review by the Center for Applied Economics at the Wichita State University.

HB 2188 would add layers of additional reporting requirements that in the end would provide little if any additional accountability and transparency to the overall process currently required in statute. These additional requirements would be time consuming and expensive. They would also put Kansas at a competitive disadvantage with those competing with Kansas for private sector employment. No

other economic development agencies outside of Kansas would be required to immediately post on a website for the entire world to see what cities, states, regions and business sectors they were currently focused on and competing in. We believe that HB 2188 as written would require Kansas business recruiters to show our cards while all other players at the table get to keep their face down. Our competitors, the ones stealing our aircraft manufactures and IT companies, etc. would love to have a website to go to where they can see exactly what we're spending and on who and how in our economic development efforts. HB 2188 gives them exactly that.

Beyond the concern for our economic development activity, we also fail to understand the benefit to public policy, the requirement that we break out and itemize how we as chamber of commerce spend membership dues paid to our chamber by cities, counties, school districts, the Army recruiting office in Wichita, etc. This requirement seems absurd and it is a great example of government regulation run amuck. There cannot be a movement among Kansas citizens clamoring for chambers of commerce to create web pages detailing how they spend their membership dues.

Finally, Mr. Chairman, the Wichita Metro Chamber of Commerce also represents trade associations, small not-for profits, and religious organizations in SC Kansas. The impractical applications of HB 2188 would have devastating effects on the members I just listed. Many of these not-for-profit's greatest asset is the passion of their creator and maybe a volunteer or two. They don't receive much public money, but the little they do get is often just enough to sustain them and their valuable efforts that greatly benefit all of our communities. Groups that help the homeless, run soup kitchens, food warehouses and pass out coats, hats and gloves, or those that take in battered women and children in the middle of the night don't have the expertise, personnel, or the money to create websites and comply with all the new burdensome regulations in HB 2188. None of us wants to force these organizations to stop taking public money in support of their efforts, but HB 2188 may very well force that choice..

Mr. Chairman and Members of the Committee, I urge you not to pass HB 2188. Thank you for your service and for the opportunity to appear before you today.

Very truly yours,

Jason P. Watkins
Director of Government Relations
Wichita Metro Chamber of Commerce