



NONPROFIT CHAMBER OF SERVICE

February 23, 2015

Testimony Before the House Federal and State Affairs Committee

HB 2291

By Tim Witsman, Executive Director

Chairman Brunk and members of the Committee:

Thank you for the opportunity to provide our thoughts and support for HB 2291. Last year the Kansas electorate gave overwhelming support to the constitutional amendment permitting raffles by certain nonprofits. HB 2291 establishes the Charitable Gaming Act and provides reasonable processes and enforcement taxes.

Recent years have provided challenging times for charitable and other nonprofit organizations. They have had to deal with funding cuts from all levels of government while charitable giving has remained stagnant since 2006. In inflation-adjusted dollars charitable giving was lower in 2013 than in 2005 (Source National Philanthropic Trust).

The effects of the recession are widely known, as is the fact that while employment has been rising wages have not kept pace and many are underemployed, either in hours or level of work. This has placed even greater demands on charitable organizations to provide assistance.

Charitable raffles and bingo will not make up for government and private contribution reductions. However, it makes good policy sense to allow charitable organizations an alternative source to partially fill the funding hole.

It is worthy of mention that people take part in charitable gaming activities for three reasons. The first, and most important, is to support the cause. The second is for the fun. The third is because they might receive something. As someone who has been on both sides of activities, such as silent auctions, the mental process goes something like this, "I want to help this organization. What might I bid on that I would enjoy receiving?" Charitable gaming is not a first step on a downward spiral for people. It is a sweetener for those already inclined to help.

The enforcement proposed in HB 2291 is reasonable and accepted by the nonprofit community. We urge your support and passage of HB 2291.