



NONPROFIT CHAMBER OF SERVICE

March 11, 2015

Testimony Before the Senate Federal and State Affairs Committee

HB 2291

By Tim Witsman, Executive Director

Chairman Ostmeyer and members of the Committee:

Thank you for the opportunity to provide our thoughts and support for SB 262. The Nonprofit Chamber of Service represents over 150 Kansas nonprofit organizations, including charitable and associations, human service providers and arts organizations. The 15,688 nonprofits in Kansas employ 93,500 people. Most nonprofits look most like small business with 3/4ths having expenses under \$500,000.

Last year the Kansas electorate gave overwhelming support to the constitutional amendment permitting raffles by certain nonprofits. SB 262 provides reasonable processes and enforcement fees.

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. I spoke with one in the past week who told me their requests for food assistance are up 13% this year.

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.

The enforcement proposed in SB 262 is reasonable and accepted by the nonprofit community. We urge your support and passage of SB 262.