



## **Testimony in Opposition to House Bill 2188**

### **House Judiciary Committee**

**Tuesday, February 12, 2013**

Mr. Chairman and House Judiciary Committee Members:

My name is Jennifer Bruning, and I am Vice President of Government Affairs with the Overland Park Chamber of Commerce and Economic Development Council. I am submitting written testimony today in opposition to House Bill 2188, an open records bill that will have extensive impact on not-for-profit organizations that receive \$350 or more in public dollars. The bill would require these entities to document all income and expenditures of those public dollars by income amount received; check number and expenditure dates; expenditure amounts itemized; payee names; and description of the nature of each expenditure item. Furthermore, this information must be made available to anyone requesting such information, and posted on the non-profit's website and on the website of the governmental entity that provided the funds in a downloadable and searchable format. The proposed legislation means our organization would be required to collect and report this information back to January 2006.

The Overland Park Chamber EDC (OPEDC) is a not-for-profit organization. Our mission is to enhance the business environment and quality of life in our community. The OPEDC was established in 1989 to attract new businesses as well as expand and retain existing businesses in Overland Park. The Council is an investment partnership with the City of Overland Park, the Overland Park Chamber of Commerce and private business investors. The OPEDC's mission is to facilitate business recruitment, identify growth opportunities for existing businesses, pursue economic development initiatives for the city, and monitor economic trends and conditions. Our mission is aligned with Governor Brownback's top priority to create an environment in which Kansas businesses can thrive and create jobs.

It seems the legislative intent of this bill is to safeguard the role of the public in economic decision making by expanding Kansas' open records laws. Passage of HB2188 would actually have several negative consequences. First, its burdensome reporting requirements would hinder the ability of economic development organizations like ours to accomplish our missions. For example, in 2012 our EDC successfully attracted or retained over 4,000 jobs in Overland Park alone. Time spent by staff to fulfill these extensive reporting requirements means less time and resources spent meeting with businesses and marketing our state and region as the best place for them to grow. High-level transparency and accountability measures are already in place in state statute and within the incentives contracts that are signed by the Kansas Department of Commerce, relocating or expanding businesses, and impacted communities.

Second, this bill could compromise the confidentiality we need to offer to companies considering a move to Overland Park, which could be problematic in the economic development business. Line-item divulgence of all of our expenditures can inadvertently expose the identity of a company we are working with to the communities/states we are competing against. This puts Kansas at a competitive disadvantage if a company that is considering moving here feels they could be subject to public scrutiny while they are exploring their options for growth. As we come out of this economic recession, it is a buyer's market. Companies have many options for relocation and expansion. Premature disclosure of their intentions could have severe repercussions that could result in the cancellation of the project. States which present a climate unfriendly to normal confidentiality in the economic development world will take their business elsewhere.

Non-profit organizations are accountable to the public entities from whom they receive funding. They also are accountable through IRS regulations to report receipt and expenditure of their funds. This new legislation will pull already scant resources from our missions to serve duplicate purposes. We urge you to please oppose House Bill 2188. Thank you for your time and consideration.