



BUILDERS DEVELOPMENT CORPORATION
600 E 103rd Street, Suite 200
Kansas City, MO 64131
(816) 733-2240 (office)

February 11, 2013

Honorable Committee Members
House Committee on the Judiciary
300 SW 10th Street
Topeka, KS 66612

RE: HB 2188

Dear Sir/Madam:

The Builders Development Corporation (BDC) is a not-for-profit 501(c)(3) community development corporation working towards rebuilding the urban core areas of the greater Kansas City metropolitan area. To achieve our mission, the BDC works closely with members of the Home Builders Association of Greater Kansas City, neighborhood residents, governments, existing organizations, lenders and other funders to form a creative approach to community development and to make an important difference in our communities.

We have reviewed the proposed legislation contained in HB 2188 before your committee. I am sure you are aware that all nonprofits already undergo a great amount of scrutiny and disclosure, which is both time consuming and expensive. We undergo regular, annual audits and many times an A-133 federal audit which require extensive “testing” by qualified CPA firms. We also are audited at both the state and local level when funds are received from these sources. Local philanthropic funders require a series of reports and/or explanations for their funds. In addition, all nonprofits are required to submit a “990” to the Internal Revenue Service on an annual basis which can be reviewed by any and all persons who either request it from the nonprofit, or simply go to www.guidestar.com to view it for free.

To undergo the legislation as proposed would put an undue burden on nonprofits, as well as funding agencies, through an entire new level of red tape and bureaucracy. In this day and age when the focus is on ways to improve efficiencies, this proposed legislation is completely counter-intuitive. It would require all nonprofits to have a “webmaster” on staff or under contract, as well as require additional accounting costs to isolate those costs affected by this legislation. Most importantly, it would take critical funding away from projects and people.

Nonprofits that perform as stated under this legislation would be criticized by the philanthropic community who seek efficient organizations to fund, and thus an unintended consequence would likely be the loss of funding from corporate/philanthropic donors at a time when more funds would be needed to comply with HB 2188.

I urge the Committee to NOT pass HB 2188 as written.

Sincerely,

Michael Snodgrass
Executive Director
Builders Development Corporation