

www.kiwanis.org

Pacific Northwest District of Kiwanis International 5427 Glen Echo Avenue, Gladstone, OR 97027-2627

May 5, 2017

Oregon State House Committee on Revenue:

My name is Roger Bell and I am representing the Pacific Northwest District of Kiwanis International. We are an Oregon registered Nonprofit Corporation based in Gladstone, Oregon and we are extremely concerned by Senate Bill 181A currently scheduled for a hearing on Tuesday, May 9, 2017. We do not believe that it is in the best interest of the government or the people of the State of Oregon to ask nonprofits to provide annual reporting that will determine property tax exemption status. This extra layer of bureaucracy is unnecessary and burdensome to charitable nonprofits and is designed to trip up unsuspecting nonprofits with the very real result of unfair levies of property taxes that are undeserved and poorly defined in statute.

Kiwanis is an organization that exists administratively and operationally through the payment of dues from volunteer members. Our By-Laws do not allow for monies raised from the public to be used for payment of these costs. If it was determined that Kiwanis must pay property taxes it would necessitate an increase of dues on our members. Historically an increase of even \$1.00 is followed by an immediate drop in membership. We currently have 85 clubs across the State of Oregon with more than 2400 members that provide approximately 700,000 hours of volunteer community service to the communities of this state each year. In addition, Kiwanis is the largest youth leadership training organization in the world and we sponsor in Oregon 11 Grade school K-Kids Clubs with about 330 members, 19 Middle school Builders Clubs with about 600 members, 105 High school Key Clubs with more than 4000 student members and 7 University/College CKI clubs with nearly 200 members. When our membership drops, we risk losing the volunteer service provided to our communities and the support given to youth leadership training

In a very real sense, city, county and state governments suffer when community needs are not met by volunteer groups such as Kiwanis. We serve vital community needs and keep our youth engaged in a positive manner. Can government pick up the void from these potential loses? Of course not! All levels of government should be supporting those efforts and not legislating potential road blocks for them.

This bill is inherently unfair in that the large nonprofits with professional staffs most capable of meeting new reporting requirements have by design already been excluded from any new reporting requirements. We strongly urge you to reject SB 181A.

Sincerely,

Roger L. Bell

Governor Elect 2016-2017

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