

Dear House State Affairs Committee,

My name is Kevin Bailey and I serve as the CEO for the Idaho Nonprofit Center. We are a nonprofit directly serving 800+ charitable organizations across the state and represent the 67,000+ Idahoans working for nonprofits.

I am writing to express my deep concerns with House Bill 0012 which would aim to bar sponsorship from state agencies to private sector organizations, including nonprofits.

This legislation would lead to an immense administrative burden by the state in fielding requests for exceptions. It would create a high level of confusion about the definitions of sponsorships, fee for service, contracts, and grants—all of which the private sector and nonprofits have a long, successful history of mutual partnership with state governments.

In a legislature that prides itself on reducing the heavy hand of government, this bill would set up a mechanism by which government, at the highest levels, is inserted into nearly every transaction between state agencies and private sector nonprofits.

State agencies have an established, documented history of partnership with businesses and charitable organizations for mutually beneficial goals; the objectives in which the private sector is best positioned to deliver on. The state agencies, with funds approved by the legislature, are tasked with fulfilling and executing their mission. This often means partnering with private sector organizations (including nonprofits).

For many years, state agencies have paired up with nonprofits via “sponsorships” to support Idahoans and our rural communities. To name just a few: Tobacco and opioid prevention at youth and public events; promoting CTE pathways for in-state, in-demand careers; sharing stories of volunteerism in Idaho’s remote regions (Idaho Philanthropy Day); ensuring that fixed income seniors have access to nutritional meal programs (Hunger Summit). I could go on...

The reality is that state sponsorships *are not* donations and are in fact contracts between state agencies and the private sector for mutually beneficial goals. These “sponsorship” agreements are normally multi-page agreements that express terms and deliverables by both parties; they include all objectives and outcomes. In other words, they are legitimate contracts and grants.

This bill would create immense confusion by both private and public sector organizations and would exponentially increase administrative burden for state agencies. It would create a precedent for heavy-handedness by the Idaho government and goes against values that the legislature has operated on for decades while ignoring hundreds of prior successful partnerships between state agencies and private sector nonprofit organizations.

Sincerely,
Kevin Bailey
CEO, Idaho Nonprofit Center
cc: All members of the House State Affairs Committee