

April 29, 2025

Chairman Shanley and Honorable Members of the House State Government and Elections Committee,

On behalf of the Rhode Island Coalition for Children and Families (RICCF) and our network of forty-four nonprofit community-based service providers, we write to express our strong opposition to H6235, which would impose burdensome new disclosure requirements on nonprofit organizations as a condition of seeking state grants or funding.

As written, H6235 mandates that nonprofits disclose on their websites the salaries, benefits, and compensation of their ten highest-paid employees, as well as details regarding all other sources of funding including fundraising, endowments, and donor contributions. While we fully support transparency and accountability in public funding, this legislation imposes an unnecessary, duplicative, and stigmatizing reporting burden that will have a chilling effect on the viability of Rhode Island-based nonprofit service providers.

Our member organizations already comply with extensive state and federal reporting obligations through IRS Form 990 filings, independent audits, and rigorous contract oversight by state agencies. These existing mechanisms ensure full financial transparency and accountability. H6235 goes well beyond these standards, creating new public disclosure mandates that do not apply to for-profit companies - many of which now directly compete with our members for state contracts.

This is particularly troubling in the context of the growing presence of national for-profit entities entering Rhode Island and displacing long-standing, community-based service providers. These for-profit companies are not bound by the same public service mission, reinvestment standards, or community accountability.


Yet H6235 would further disadvantage nonprofit organizations by adding invasive and one-sided disclosure rules that may drive away donors, damage employee recruitment and retention efforts, and ultimately compromise the quality and continuity of services provided to children, youth, and families across Rhode Island.

At a time when our communities are facing rising behavioral health needs, increased child welfare demands, and chronic workforce shortages, the General Assembly should be supporting - not undermining- its nonprofit partners. H6235 will do nothing to improve fiscal oversight or service delivery. It will, however, increase administrative costs, reduce competitiveness, and add yet another hurdle for local nonprofits already struggling to remain solvent in an increasingly profit-driven marketplace.

We respectfully urge you to reject this legislation and instead focus on policies that level the playing field and strengthen Rhode Island's nonprofit sector. RICCF and our member organizations remain committed to transparency and stewardship of public resources, however, this bill could unintentionally undermine the very organizations that the state relies on to provide critical services.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, reading "Tanja Kubas Meyer". The signature is fluid and cursive, with the first name "Tanja" being the most prominent.

Tanja Kubas Meyer
Executive Director