

## Testimony on SB 1137 (Section 1), and SB 1138 (Section 5)

To: Distinguished members of the Finance, Revenue and Bonding Committee  
From: David B. Bingham, MD, Salem CT; CT Land Conservation Coalition Advisory Committee Member; Co-Chair CT League of Conservation Voters; VP, Salem Land Trust

As a physician, I have been devoted a lifetime to leaving future generations with a safer and healthier environment. To do so, I have worked with many organizations around the State of CT to provide sustainable funding streams to ensure that these critical public service goals are achieved.

One of the most important tools providing sustainable funding of organizations that provide public benefit, and thus are recognized by the IRS by achieving 501(c)(3) status, is to create an endowment that can grow over time to maintain and to expand these public benefits.

However, these Sections of SB 1137 and SB 1138 would penalize any organization using that tool, perhaps even costing the organization more in tax payments than they receive in income from such an endowment. This defeats the purpose of the donors of endowment funds, and risks driving donors away from doing public good with the funds they can provide.

Perversely, such a tax threat will drive struggling organizations into dismantling endowments intended to enable them to weather lean years when fund-raising is diminished to the economy. Thus it risks destroying their viability.

Please delete SB 1137, Section 1, and SB 1138, Section 2 as they pertain to creating a property tax liability. These sections, if approved, will severely undermine critical public support of organizations working for the public good, especially by land trusts and other organizations.

These groups are protecting and enhancing CT's treasured natural resources, providing a safer and healthier environment for all our current citizens, and for future generations. They need your support, not punishment, for using wise fiscal practices.

Thank you for your consideration.

DBB