

STAND. COM. REP. NO.

2363

Honolulu, Hawaii

FEB 18 2016

RE: S.B. No. 2812
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committees on Commerce, Consumer Protection, and Health and Judiciary and Labor, to which was referred S.B. No. 2812 entitled:

"A BILL FOR AN ACT RELATING TO CHARITABLE SOLICITATION,"

beg leave to report as follows:

The purpose and intent of this measure is to amend Hawaii's charitable solicitation law to: require affirmative disclosures to donors by professional solicitors; clarify exemptions from registration; and make other technical amendments.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Association of Fundraising Professionals - Aloha Chapter, and Hawai'i Alliance of Nonprofit Organizations.

Your Committees find that Hawaii does not currently require professional solicitors to inform donors at the outset of any solicitation that the person or entity is a professional solicitor and is being paid to make contact with the donor. This measure requires an affirmative disclosure in the course of solicitation, which will require professional solicitors to be more transparent and will prevent donor confusion and possible deceptive practices.

Your Committees further find that this measure also provides for the electronic submission of financial reports that professional solicitors are required to submit to the Attorney General at the end of a solicitation campaign conducted on behalf

2016-1245 SSCR SMA.doc



of a charity, which will provide more robust public access to information that is submitted by registered fundraisers.

Finally, your Committees appreciate the considerable input provided by the Department of the Attorney General in testimony before your Committees and note that this measure will improve and clarify Hawaii's charitable solicitation law in a manner that better reflects the realities of the nonprofit fundraising environment, promotes transparency for donors, and encourages ease of compliance for charitable nonprofits.

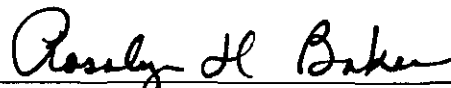
Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2812, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2812, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Commerce,
Consumer Protection, and Health
and Judiciary and Labor,



GILBERT S.C. KEITH-AGARAN, Chair



ROSALYN H. BAKER, Chair



