



**(Amended) TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-EIGHTH LEGISLATURE, 2015**

ON THE FOLLOWING MEASURE:

S.B. NO. 1067, RELATING TO CHARITABLE SOLICITATION.

BEFORE THE:

SENATE COMMITTEES ON JUDICIARY AND LABOR AND ON COMMERCE AND
CONSUMER PROTECTION

DATE: Friday, February 6, 2015

TIME: 9:00 a.m.

LOCATION: State Capitol, Room 016

TESTIFIER(S): Russell A. Suzuki, Attorney General, or
Hugh R. Jones, Supervising Deputy Attorney General

Chairs Keith-Agaran and Baker and Members of the Committees:

The Attorney General submits this testimony to correct an inadvertent error in the Department's testimony on this bill submitted on February 4, 2015. This amended testimony is revised to reflect the imposition of late fees on professional solicitors and not charities.

The Attorney General supports the passage of this bill. The purpose of this bill is to amend Hawaii's charitable solicitation law to: (1) provide for electronic submission of end of solicitation campaign financial reports by registered professional (paid) solicitors; (2) impose a late fee for the late submission of annual financial reports by registered professional solicitors identical to the existing late fee in section 467B-6.5(e), Hawaii Revised Statutes (HRS) for the late submission of financial reports by registered charities, and (3) clarify the registration exemption applicable to accredited educational institutions and to facilitate the electronic submission of exemption applications by charitable organizations eligible for a registration exemption.

Electronic Submission

Chapter 467B, HRS, presently provides for electronic registration by charitable organizations that must register with the Attorney General. HRS § 467B-2.1

The Department of the Attorney General will soon be deploying an Internet based registration and registration renewal system ("System") for professional solicitors and professional fundraising counsels. The System will process registrations and renewals and allow registered fundraisers to submit contracts, and allow registered professional solicitors to submit

their end of solicitation campaign financial reports electronically as well. This System will provide for more robust public access to information that is currently submitted by registered fundraisers in paper form and then compiled on the Attorney General's website. The System developer, Hawaii Information Consortium, has also programmed a module that will allow charities eligible for a registration exemption to submit an exemption application electronically.

Late Fees

The Attorney General has discovered a significant number of registered professional solicitors that have failed to timely file end of solicitation campaign financial reports required by section 467B-2.5, HRS. In some cases registered solicitor's annual financial reports have been years over due, despite efforts by the Department. This bill will create a financial incentive to timely file the required end of solicitation campaign financial report by creating a late fee identical to the existing late fee provided in section 467B-6.5(e), HRS, applicable to annual financial reporting by registered charities solicitors.

The Attorney General requests the Committee's favorable consideration of this measure.

THE LIBERTARIAN PARTY OF HAWAII
C/O 1658 LIHOLIHO ST #205
HONOLULU, HI 96822

TESTIMONY

February 4, 2014

RE: **SB 1067** to be heard Friday February 6, 2015 in Conference Room 016

To the members of the Senate Committees on Judiciary and Labor and Commerce and Consumer Protection

OPPOSE

The Libertarian Party opposes this bill and the continued actions by the state to harass public charities.

I would also like to relate that attempts on my part to remit fees to the Attorney General's office in cash have been refused due to their "electronic filing" requirements. This is in clear violation of Federal law section 31 US C. 5103 that establishes the currency as legal tender. Instead of harassing and fining others it would behoove government agencies responsible for upholding the laws to obey them themselves.

Tracy Ryan
Chair