



Honolulu, Hawaii March 2, 2017

RE: H.B. No. 1027 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1027, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO NONPROFIT CORPORATIONS,"

begs leave to report as follows:

The purpose of this measure is to assist nonprofit corporations by:

- Allowing a domestic nonprofit corporation to convert to a foreign nonprofit corporation as prescribed by law, creating a procedure therefor, and clarifying the legal effect of conversions;
- (2) Expressly recognizing that directors and officers of a nonprofit corporation have a duty of loyalty to the corporation; and
- (3) Providing the Attorney General with additional time to review proposed dissolutions of nonprofits.

The Department of the Attorney General, Association of Fundraising Professionals-Aloha Chapter, Aloha Society of Association Executives, Hawaii Alliance of Nonprofit Organizations, and a concerned individual supported this measure.



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As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1027, H.D. 1, and recommends that it pass Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Judiciary,

SCOTT Y. NISHIMOTO, Chair



State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Judiciary

| Bill/Resolution No.: | Committee Referral: | Date: | a latter | |
|---|---------------------|-----------|-----------|---------|
| HB 1027 HDI CPC, UD 02/24/2017 | | | | |
| The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| JUD Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. NISHIMOTO, Scott Y. (C) | | | · · · · · | |
| 2. SAN BUENAVENTURA, Joy A | . (VC) | | | |
| 3. BELATTI, Della Au | | | | |
| 4. BROWER, Tom | / | | | |
| 5. JOHANSON, Aaron Ling | | | | |
| 6. LEE, Chris | / | | | |
| 7. MORIKAWA, Dee | | | | |
| 8. NAKASHIMA, Mark M. | - | | ···· | |
| 9. OSHIRO, Marcus R. | | | | |
| 10. McDERMOTT, Bob | | | | |
| 11. THIELEN, Cynthia | | | ····· | |
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| TOTAL (11) | 11 | | | |
| The recommendation is: Adopted Not Adopted If joint referral, | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |

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