

STAND. COM. REP. NO.

1067

Honolulu, Hawaii

MAR 24 2017

RE: H.B. No. 1028
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred H.B. No. 1028, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Clarify the Attorney General's regulatory authority over charitable organizations and charitable assets;
- (2) Establish procedures for deactivations of registrations for charities no longer operating in Hawaii;
- (3) Clarify requirements for financial reports for solicitation campaigns and charitable organizations' annual reports; and
- (4) Make housekeeping amendments related to exemptions from registration and reporting requirements.

Your Committee 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 Corporations.



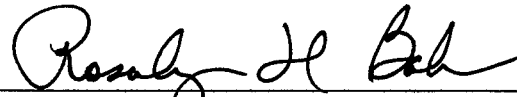
Your Committee finds that this measure makes several amendments to the State's law governing charitable organizations and activities, including: adding a definition of "property", as that term relates to the protection of charitable assets; specifying procedures for deactivations of registration for charitable organizations; and clarifying requirements and procedures for the filing of financial and annual reports. This measure also assists the Department of the Attorney General in its oversight of charitable organizations and fundraising activities and clarifies regulatory procedures for the nonprofit sector.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2017; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1028, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1028, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



