

STAND. COM. REP. NO. **2102**

Honolulu, Hawaii

FEB 08 2018

RE: S.B. No. 2748
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2748 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 amend the
State's charitable solicitations law by:

- (1) Substituting the term "total revenue" for the term
"gross revenue" and term "total receipts" for the term
"gross receipts";
- (2) Clarifying when professional solicitors must file
financial reports;
- (3) Clarifying when commercial co-venturers must provide a
charitable organization with an accounting and the
benefit of a charitable sales promotion;
- (4) Eliminating the requirement for certain charitable
organizations to submit an audit report; and
- (5) Making housekeeping amendments.

Your Committee received testimony in support of this measure
from the Department of the Attorney General; Association of



Fundraising Professionals - Aloha Chapter; Hawaii Association of Independent Schools; Hawaii Council of Private Schools, LLC; and Hawai'i Alliance of Nonprofit Organizations.

Your Committee finds that this measure makes several amendments to the State's law governing charitable solicitations, including clarifying the operating and reporting requirements for charitable organizations, ensuring charitable organizations report to the Attorney General in a timely fashion, and clarifying reporting process requirements for solicitation campaigns and events. This measure also assists the Department of the Attorney General in its oversight of charitable organizations and fundraising activities, clarifies regulatory procedures for the nonprofit sector, and provides additional disclosures for the public.

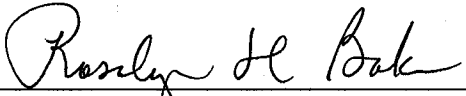
Your Committee has amended this measure by:

- (1) Reinserting the Hawaii Council of Private Schools into the Department of the Attorney General's list of authorized licensing or accrediting organizations that are exempted from registration and financial disclosure requirements, as this organization was mistakenly removed from the list by legislation passed during the Regular Session of 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 S.B. No. 2748, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2748, S.D. 1, and be referred to your Committee on Ways and Means.



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

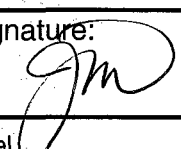


ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

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|--|--|--------------------------|-----|----------|
| Bill / Resolution No.:* SB 2748 | Committee Referral: CPH, WAM | Date: 02/02/18 | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| BAKER, Rosalyn H. (C) | / | | | |
| TOKUDA, Jill N. (VC) | / | | | |
| CHANG, Stanley | / | | | |
| ESPERO, Will | / | | | |
| IHARA, Jr., Les | | | | / |
| NISHIHARA, Clarence K. | | | | / |
| RUDERMAN, Russell E. | / | | | |
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| TOTAL | 5 | | | 2 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature:  | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Only one measure per Record of Votes