



Late

**Testimony to the Commerce, Consumer Protection and Health Committee
Senator Rosalyn Baker, Chair
Senator Clarence Nishihara, Vice Chair
Tuesday February 7, 2017, 9 a.m.
Conference Room 229
SB 893 - Relating to Nonprofit Corporations**

Dear Chair Baker, Vice Chair Nishihara and members of the CPH Committee:

On behalf of the Hawai'i Alliance of Nonprofit Organizations, I would like to offer our comments in support of SB 893, relating to nonprofit corporations.

Hawai'i Alliance of Nonprofit Organizations (HANO) is a statewide, sector-wide professional association of nonprofits. Our mission is to unite and strengthen the nonprofit sector as a collective force to improve the quality of life in Hawai'i. Our member organizations provide essential services to every community in the state.

HANO appreciates the efforts being made in this proposed legislation to make easier the conversion of a nonprofit entity to a for-profit entity or vice versa.

Regarding the proposal to amend the standards of conduct - provision HRS 414D-149, we support efforts to codify this imposed duty of loyalty on directors and officers of nonprofit corporations. This is in keeping with HANO's own Principles of Good Governance and Ethical Practice: A Guide for Charities and Foundations.

Thank you for the opportunity to provide testimony in support of these changes.

Mahalo,
Lisa Maruyama
President & CEO