STAND. COM. REP. NO. 2696

Honolulu, Hawaii

FEB 1 8 2022

S.B. No. 2191 RE:

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 2191 entitled:

"A BILL FOR AN ACT RELATING TO GRANTS,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify existing eligibility and document provision requirements for organizations applying for grants under chapter 42F, Hawaii Revised Statutes, and establish new requirements.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network and one individual. Committee received written comments on this measure from the Office of Community Services and Hawai'i Alliance of Nonprofit Organizations.

Your Committee finds that certain requirements of chapter 42F, Hawaii Revised Statutes, are presently unclear. This leads to complications in expediently determining grantee eligibility and processing grant applications. Accordingly, your Committee finds that this measure will improve the effectiveness of the grant application process under chapter 42F, Hawaii Revised Statutes, by clarifying existing requirements and requiring applicants to provide certain additional documentation at the beginning of the review process.

Your Committee has amended this measure by:

- (1) Deleting proposed language under section 42F-102(b)(1), Hawaii Revised Statutes, which would have added a redundant tax clearance requirement;
- (2) Clarifying that nonprofit organizations applying for a grant under section 42F-103(c), Hawaii Revised Statutes, must have and maintain tax-exempt status under the Internal Revenue Code, instead of being limited to section 501(c)(3) of the Internal Revenue Code;
- (3) Clarifying that grants awarded under chapter 42F, Hawaii Revised Statutes, shall only be awarded to organizations that are incorporated in Hawaii and not elsewhere, among other requirements; and
- (4) 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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2191, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2191, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Government Operations.

SHARON MORIWAKI, Chair

## The Senate Thirty-First Legislature State of Hawaiʻi

## Record of Votes Committee on Government Operations GVO

Bill / Resolution No.:*	Committee	Committee Referral:				1 -
SB 2191	GVO, WAM			02/17/22		
The Committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (W	R)	Nay	Excused
MORIWAKI, Sharon Y. (C)		X	-		-	
DELA CRUZ, Donovan M. (VC)		×				
CHANG, Stanley		X				
GABBARD, Mike						X
FEVELLA, Kurt		X				
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	***	11	<u> </u>		-	1
TOTAL		4				l l
Recommendation:  Adopted  Not Adopted						
Chair's or Designee's Signature:						
Orian s or Designee's Signature.						
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

<sup>\*</sup>Only one measure per Record of Votes