

Honolulu, Hawaii

MAR 01 2024

RE: S.B. No. 2983
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2983, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SOLICITATION OF FUNDS FROM THE PUBLIC,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Regulate charitable fundraising platforms and activities of platform charities during declared federal disasters;
- (2) Establish provisions relating to the misuse of funds;
- (3) Impose vicarious liability upon a platform charity for a charitable fundraising platform's misuse of funds, and vice versa; and
- (4) Exempt national disaster charitable organizations from established provisions.

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

Your Committee received comments on this measure from the Hawai'i Alliance of Nonprofit Organizations.



Your Committee finds that the August 2023 Maui wildfires presented government officials with numerous challenges that ranged from helping victims find housing, food, and other necessities of life to handling the massive influx of donations from around the world. The wildfires also brought out the best of intentions in people who reached out with offers of financial and in-kind gifts intended to help alleviate the suffering. However, managing donations presented a series of challenges to assure the generosity went to where it was intended, and that fraud was identified and limited. This measure will prevent the likelihood of deception, confusion, or misunderstanding when donations are made during an emergency period.

Your Committee has amended this measure by 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 Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2983, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2983, S.D. 2.

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



KARL RHOADS, Chair



