

## ACT 5

A Bill for an Act Relating to the Exemption of Funds Received from the State or a Private Eleemosynary Child-Placing Organization for the Operation of a Foster Home, and Amending Section 117-21, Revised Laws of Hawaii 1955, as Amended.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of Section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency:

The provisions of Chapter 117, Revised Laws of Hawaii 1955, as amended, are not clear as to whether foster boarding parents who care for children for the state and eleemosynary child-placing organizations are operating a business. Therefore, it jeopardizes the foster care program of the agencies as well as foster parents who provide foster care to children who need such care, if the foster parents are assumed to be operating a business and are therefore subject to gross income tax.

SECTION 2. Section 117-21, Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding thereto a new section to be lettered (o) and to read as follows:

“(o) Money paid by the state or eleemosynary child-placing organizations to foster parents for their care of children in foster homes.”

SECTION 3. This Act shall take effect upon its approval.

(Approved April 15, 1964.) **H.B. 200.**

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