

**A Bill for an Act Relating to Solicitation of Funds.**

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

SECTION 1. Section 467B-6, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Every written contract or, in the absence of a contract in writing, a written statement of the nature of the arrangement between a professional solicitor and a charitable organization shall be filed with the department within ten days after the contract or arrangement is concluded. [If the contract or arrangement with a professional solicitor does not provide for compensation on a percentage basis, the department shall examine the contract to ascertain whether the compensation to be paid in the circumstances is likely to exceed twenty per cent of the total moneys, pledges, or other property raised or received as a result of the contract or arrangement; if the reasonable probabilities are that the compensation will exceed twenty per cent of the total moneys, pledges, or other property the director shall disapprove the contract or arrangement within ten days after its filing unless special facts or circumstances are presented showing that a cost higher than twenty per cent is reasonable. No registered charitable organization or professional solicitor shall carry out or execute a disapproved contract, or receive or perform services, or receive or make payments, pursuant to a disapproved contract. Any party to a disapproved contract shall, upon written request made within thirty days of the disapproval, be given a hearing before the director within thirty days after such request is filed.] The contract or statement shall disclose the percentage distribution between the parties to the contract of all funds raised or received as a result of the agreed upon solicitation activity. No solicitation activity shall commence prior to ten days after the date of filing of the contract or statement.”

SECTION 2. Section 467B-7, Hawaii Revised Statutes, is repealed.

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.<sup>1</sup>

SECTION 4. This Act shall take effect upon its approval.

(Approved June 5, 1985.)

**Note**

1. Edited pursuant to HRS §23G-16.5.