

## ACT 26

S.B. NO. 172

A Bill for an Act Relating to Grants.

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

SECTION 1. Section 42F-103, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) In addition, a grant may be made to an organization only if the organization:

- (1) Is [~~incorporated~~] either:
  - (A) ~~Incorporated under the laws of the State; [and] or~~
  - (B) Spends at least ninety per cent of its operating budget in the State; and
  - (C) Registered with the department of commerce and consumer affairs and in possession of a valid certificate of vendor compliance issued by the State that documents the organization’s compliance and good standing with the United States Internal Revenue Service, department of taxation, department of labor and industrial relations, and department of commerce and consumer affairs; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

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

(Approved May 25, 2022.)