

Honolulu, Hawaii

March 24, 2006

RE: S.B. No. 2248
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Judiciary and Consumer Protection & Commerce, to which was referred S.B. No. 2248, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO SOLICITATION OF FUNDS FOR CHARITABLE PURPOSES,"

beg leave to report as follows:

The purpose of this bill is to require professional solicitors for charitable organizations, when making oral solicitations, to submit to each contributor advance written confirmation of an expected contribution, specifying various details about the solicitor as well as the extent to which a contribution may be tax deductible. This bill also deems a professional fundraising counsel to be a professional solicitor if the fundraising counsel's compensation is related to the amount of contributions received.

The Department of the Attorney General supported this bill. The Small Business Regulatory Review Board opposed this measure.

Your Committees have amended this bill by:

- (1) Changing the effective date to January 1, 2006, to encourage further discussion; and



- (2) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2248, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2248, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Consumer Protection & Commerce,



ROBERT N. HERKES, Chair



SYLVIA LUKE, Chair



