



Senate Committee on Ways & Means

TESTIMONY IN SUPPORT OF SB 354: RELATING TO THE GENERAL EXCISE TAX

by

Gail Mukaihata Hannemann, CEO

on behalf of the

Girl Scouts of Hawai'i

February 5, 2009

Aloha Chair Mercado, Vice-Chair Tsutsui, and Members of the Senate Ways & Means Committee

Thank you for the opportunity to submit testimony on behalf of the Girl Scouts of Hawai'i in support of SB 354 as it relates to general excise tax exemptions for charitable organization fundraising activities. I apologize for not providing testimony in person but I am on the mainland, participating in two national forums - on behalf of the Girl Scouts of Hawai'i and the Hawaii Arts Alliance - where the dominant issue is the economy.

Girl Scouts is the preeminent leadership development organization for girls and the only organization focused solely on girls. Introduced to Hawai'i in 1917 by Queen Lili'uokalani and a school teacher from Kamehameha School for Girls, Florence Lowe, Girl Scouts empowers girls to find the courage, confidence, and character to make the world a better place. With more than 5,500 members on all major islands, Girl Scouts of Hawai'i provides opportunities for girls - from kindergarten through twelfth grades.

But like most things of value and worth, making these opportunities available comes at a real financial cost. To ensure that Girl Scouting is accessible to every girl, Girl Scouts of Hawai'i relies on funds raised through various channels, including the Girl Scout Cookie Program and the Woman of Distinction Dinner. We are fortunate here in Hawai'i to benefit from the generous support of our communities and dutifully pay excise taxes on all such efforts. However, every time we do so, we think about how that money could be directly reinvested back into the organization to further our work of improving the lives of all girls growing up in Hawai'i.

Given today's economic climate, SB 354 can have a significant and timely impact on all non-profits. At a time when their support is needed most, Hawai'i's community service organizations are also finding themselves in a desperate struggle to achieve their missions of helping others while simultaneously facing the daunting challenges of making ends meet. Relief from the general excise tax imposed on charitable fundraising would provide some relief for organizations who work on behalf of people most impacted by this economic downturn.

On behalf of Girl Scouts of Hawai'i, and as a member of Hawai'i Alliance for Nonprofit Organizations (HANO), I encourage you to show your support for SB 354 and subsequently, your commitment for Hawai'i's communities and all the people of Hawai'i during this economically challenging time.

Thank you for your kind consideration.

Begin forwarded message:

From: Lisa Maruyama <teruka@hawaii.rr.com>
Date: February 5, 2009 12:19:47 AM HST
To: WAMTestimony@Capitol.hawaii.gov
Subject: SB 354 Testimony

I understand this is being submitted past the deadline, but I will share it anyway. The attached testimony is for SB 354 relating to the General Excise Tax. This is for a Ways and Means Committee hearing on Thursday, February 5, 2009 at 9:30 a.m. in conference room 211. If possible, please make copies for committee members. I apologize for the late submittal.

Mahalo,

Lisa Maruyama

Hawai'i Alliance of Nonprofit Organizations

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LATE
2/5/09 12:21 AM



February 4, 2009

Chair Donna Mercado Kim
Senate Ways and Means Committee
Hawaii State Senate
State Capitol, Room 210
Honolulu, HI 96813

RE: **Senate Bill 354**, Relating to GET Exemption for Charitable Organizations

Dear Chair Kim and members of the Senate Ways and Means Committee:

If the intent of SB 354 is to exempt charitable organizations from paying General Excise tax on fundraising revenue, then the Hawaii'i Alliance of Nonprofit Organizations **supports** the intent of this bill.

With government and private sector support to nonprofit organizations eroding in this current economy, general excise tax relief would be welcomed to help maintain fragile budgets, build capacity and maintain the social fabric of Hawaii'i.

Hawaii's nonprofit sector employs nearly 50,000 people, rivaling the number of state government employees, with expenditures of an estimated \$5.4 billion in 2007, making it a significant economic driver for the state of Hawaii. The intent of this bill would help ensure the continued viability of the sector.

HANO unites and strengthens the nonprofit sector as a collective force to improve the quality of Hawaii'i. It works in the areas of leadership and convenings, advocacy and public policy, research and information, communications, professional development and products and services for its members.

Thank you for the opportunity to testify.

Mahalo,

Lisa Maruyama
President and CEO