



Testimony to the Commerce, Consumer Protection & Health Committee And Judiciary and Labor Committee Senator Rosalyn Baker, Chair, CPH Senator Gilbert Keith-Agaran, Chair, JDL Friday February 12, 2016, 9:00 a.m. Conference Room 016 HB 2283 - Relating to Charitable Solicitation

Dear Chair Baker, Chair Keith-Agaran and members of the CPH and JDL Committees:

On behalf of the Hawai'i Alliance of Nonprofit Organizations, I would like to offer our comments in support of SB 2812, relating to charitable solicitation.

Hawai'i Alliance of Nonprofit Organizations (HANO) is a statewide, sector-wide professional association of nonprofits. Our mission is to unite and strengthen the nonprofit sector as a collective force to improve the quality of life in Hawai'i. Our member organizations provide essential services to every community in the state.

HANO supports this measure because it improves and clarifies the charitable solicitation law in the following important ways:

- Exempts those who plan, conduct, manage, advise, consult or prepare grant or subsidy applications for a charitable organization;
- Redefines "professional solicitor" to exclude those who plan, conduct, manage, advise, consult or prepare grant or subsidy applications for charitable organizations;
- Clarifies disclosure requirements for professional solicitors;
- Allows for electronic submittal of reports to the Attorney General.

These and other clarifications better reflect the realities of the nonprofit fundraising environment, tighten the disclosure requirements for true professional solicitors for greater transparency to donors, and provide greater ease and transparency for charitable nonprofits to comply.

Thank you for the opportunity to provide written testimony.

Mahalo, Lisa Maruyama President & CEO

1020 South Beretania Street, 2nd Floor, Honolulu, HI 96814 hano-hawaii.org (808) 529-0466



PRESIDENT S. Sanae Tokumura, ACFRE, APR

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Norma Spierings Kevin Takamori Lance Takenaka Sarah Tenney, CFRE Darcie A. Yukimura

CHAPTER DIRECTOR John Ciambrone, CFRE Friday, February 12, 2016– 9:00 am Conference Room 016

## The Senate Committee on Commerce, Consumer Protection and Health The Senate Committee on Judiciary and Labor

To: Senator Rosalyn Baker, Chair Senator Michelle Kidani, Vice-Chair

> Senator Gilbert Keith-Agaran, Chair Senator Maile Shimabukuro, Vice Chair

From: S. Sanae Tokumura, AFCRE, APR President

## Re: SB 2812, Relating to Charitable Solicitation Testimony in Support

My name is Sanae Tokumura, President of the Association of Fundraising Professionals – Aloha Chapter (AFP Aloha Chapter). The AFP Aloha Chapter advances philanthropy throughout Hawaii by actively promoting the practice of ethical and effective fundraising. We are committed to education, training, advocacy, and mentoring in the field of fundraising for the benefit of all, with the spirit of aloha. Founded in Hawaii in 1983, the Association of Fundraising Professionals (AFP) Aloha Chapter is a professional association whose membership is comprised of persons involved in non-profit development, non-profit management and fundraising consulting. The chapter members represent organizations on Oahu, Maui, Kauai and the Big Island.

<u>We support SB 2812</u> which would require affirmative disclosures to donors by professional solicitors and clarifies the exemptions from registration in HRS Chapter 467B.

We support all regulatory efforts that enable the Attorney General to ensure transparency to protect consumers from fraudulent fundraising solicitation activities. Currently, Hawaii does not require paid professional solicitors to inform donors at the outset that the person or entity is being paid to make the donor contact. As such, paid professional solicitors are allowed to use deceptive practices to entice potential donors to give money. Requiring such disclosures by paid professional solicitors not only protects donors, but also enables them to make informed decisions about whether or not to make a contribution.

Thank you for the opportunity to testify.





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