

JAN 19 2018

A BILL FOR AN ACT

RELATING TO GRANTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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

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

5 (1) Is incorporated under the laws of the State; ~~[and]~~

6 (2) Has bylaws or policies that describe the manner in
7 which the activities or services for which a grant is
8 awarded shall be conducted or provided~~[-]~~;

9 (3) Is in compliance with all registration and annual
10 reporting requirements of the department of commerce
11 and consumer affairs; and

12 (4) Provides proof of a current and valid general excise
13 tax license pursuant to section 237-9.

14 (c) Further, a grant may be awarded to a nonprofit
15 organization only if the organization:

16 (1) Has been determined and designated to be a nonprofit
17 organization by the Internal Revenue Service; ~~[and]~~



- (2) Has a governing board whose members have no material conflict of interest and serve without compensation[-];
- (3) Provides proof of a current and valid general excise tax license pursuant to section 237-9;
- (4) Is registered with the department of the attorney general as a charitable organization pursuant to section 467B-2.1, if applicable;
- (5) Provides proof of the filing of Internal Revenue Service form 990, 990EZ, or 990-N; and
- (6) Is current on the payment of all real property taxes, if applicable."

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 Statutory material to be repealed is bracketed and stricken.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.

INTRODUCED BY:

Breene Hunt

B. J.

Frederic R. Inoué

Thomas T. ...
James Merando ...



S.B. NO. 2312

~~and~~ *and*
J. J. Riviere



S.B. NO. 2312

Report Title:

Grants; Requirements

Description:

Requires all organizations that may receive a grant from the State to be in compliance with all registration and annual reporting requirements of the Department of Commerce and Consumer Affairs and provide proof of a current and valid general excise tax license. Requires all nonprofit organizations that may receive a grant from the State to provide proof of a current and valid general excise tax license; register with the Department of the Attorney General as a charitable organization, if applicable; provide proof of the filing of Internal Revenue Service form 990, 990EZ, or 990-N; and be current on the payment of all real property taxes, if applicable.

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