

STAND. COM. REP. NO.

2847

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 2748  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2748, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CHARITABLE ORGANIZATIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to update and clarify the charitable solicitations law.

Specifically, the measure amends the charitable solicitations law by:

- (1) Updating and clarifying terminology for receipts and revenues;
- (2) Clarifying the time periods that a professional solicitor must file financial reports with the Attorney General;
- (3) Clarifying a commercial co-venturer's duty to provide an accounting to the charitable organization;
- (4) Clarifying a commercial co-venturer's duties when conferring the benefit from a charitable sales promotion upon the charitable organization;



- (5) Relieving certain charitable organizations from the duty to include an audit report with its annual financial report; and
- (6) Designating the Hawaii Council of Private Schools as a licensing or accrediting organization for charitable organizations exempted from registration and financial disclosure requirements.

Your Committee received written comments in support of this measure from the Department of the Attorney General, Hawaii Association of Independent Schools, Hawai'i Alliance of Nonprofit Organizations, and Hawaii Council of Private Schools.

Your Committee finds that this measure will assist the Attorney General in the oversight of charitable organizations and fundraising activities, clarify regulatory procedures for the nonprofit sector, and provide additional disclosures to the public.

Your Committee has amended this measure by clarifying language relating to the dates by which:

- (1) Professional solicitors conducting charitable solicitation campaigns must file a financial report; and
- (2) Commercial co-venturers conducting charitable sales promotions must deliver an accounting and confer the benefit from the promotion to the charitable organization.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2748, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2748, S.D. 2.



Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

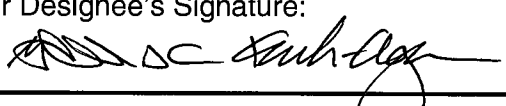
A handwritten signature in black ink, appearing to read "Donovan M. DeLa Cruz", written over a horizontal line.

DONOVAN M. DELA CRUZ, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB2748, SDI</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPH, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2/13/18</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
GALUTERIA, Brickwood	X			
HARIMOTO, Breene	X			
INOUE, Lorraine R.				X
KAHELE, Kaiali'i	X			
KIDANI, Michelle N.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn				X
<b>TOTAL</b>	9			2
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted           <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;">  </div>				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution:</div> <div>             Original File with Committee Report           </div> <div>             Yellow Clerk's Office           </div> <div>             Pink Drafting Agency           </div> <div>             Goldenrod Committee File Copy           </div> </div>				

**\*Only one measure per Record of Votes**