

STAND. COM. REP. NO.

962

Honolulu, Hawaii

, 2021

**MAR 11**

RE: S.B. No. 172

S.D. 1

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred  
S.B. No. 172, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GRANTS,"

begs leave to report as follows:

The purpose of this measure is to allow an organization to  
qualify for grants under chapter 42F, Hawaii Revised Statutes, if  
the organization is registered with the Department of Commerce and  
Consumer Affairs and in possession of a valid certificate of  
vendor compliance issued by the State.

Your Committee received testimony in support of this measure  
from the Office of the Mayor of the County of Kaua'i, National  
Tropical Botanical Garden, Hanalei Watershed Hui, Laukahi: Hawaii  
Plant Conservation Network, Waipā Foundation, and four  
individuals. Your Committee received comments on this measure  
from the Office of Community Services and State Procurement  
Office.

Your Committee finds that under existing law, a nonprofit  
organization must be incorporated in the State in order to be  
eligible to receive grants under chapter 42F, Hawaii Revised  
Statutes. This measure expands the eligibility for such grants to  
ensure that all nonprofit organizations that are doing work that

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benefits the State and are in good standing, regardless of where the organizations are incorporated, are eligible to receive state funding pursuant to chapter 42F, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Clarifying that an organization may qualify for grants under chapter 42F, Hawaii Revised Statutes, if the organization is incorporated under the laws of the State or spends at least ninety percent of its operating budget in the State and is registered with the Department of Commerce and Consumer Affairs and in possession of a valid certificate of vendor compliance issued by the State; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 172, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 172, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development,

  
SEAN QUINLAN, Chair



**Record of Votes of the Committee on Economic Development**

Bill/Resolution No.: <b>SB 172 SD 1</b>	Committee Referral: <b>ECD, FIN</b>	Date: <b>3/5/21</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. QUINLAN, Sean (C)	✓			
2. HOLT, Daniel (VC)	✓			
3. BELATTI, Della Au	✓			
4. KOBAYASHI, Dale T.	✓			
5. ONISHI, Richard H.K.	✓			
6. SAYAMA, Jackson D.	✓			
7. TAKAYAMA, Gregg	✓			
8. OKIMOTO, Val	✓			
<b>TOTAL (8)</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature: <u><b>D Holt</b></u>				
Distribution: Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				