

STAND. COM. REP. NO.

547

Honolulu, Hawaii

February 20, 2015

RE: H.B. No. 1482

H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1482, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CROWDFUNDING,"

begs leave to report as follows:

The purpose of this measure is to establish a limited intrastate crowdfunding exemption for businesses based in Hawaii to connect with investors located in Hawaii, through equity crowdfunding via third party internet portals.

The Redmont Group, LLC, Hawaii Tech Exchange, NFIB Hawaii, Wayland Baptist University, and a few individuals testified in support of this measure. The Chamber of Commerce of Hawaii testified in support of the intent of this measure. The Business Registration Division of the Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying the language concerning the resale of a security within nine months after the last sale to conform to federal law;
- (2) Removing language concerning fraud through the misrepresentation of being a Hawaii resident because it might have unintended consequences; and

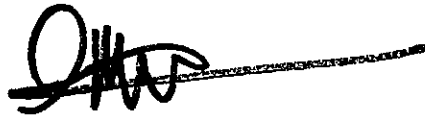
HB1482 HD2 HSCR CPC HMS 2015-2094



- (3) 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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1482, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1482, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



