

1.1 moves to amend H.F. No. 1384 as follows:

1.2 Page 3, lines 16 to 29, delete the new language and insert:

1.3 "Transfer" does not mean or include a contribution of money or an asset made to a
1.4 qualified charitable or religious organization or entity unless the organization or entity
1.5 had reasonable cause to believe either that:

1.6 (i) the debtor made the charitable contribution with actual intent to hinder, delay,
1.7 or defraud any creditor of the debtor, or

1.8 (ii) the debtor:

1.9 (A) was insolvent at the time of the contribution or would be rendered insolvent by
1.10 reason of the contribution;

1.11 (B) was engaged or was about to engage in a business or a transaction for which
1.12 the remaining assets of the debtor were unreasonably small in relation to the business or
1.13 transaction; or

1.14 (C) intended to incur, or believed or reasonably should have believed that he would
1.15 incur, debts beyond the debtor's ability to pay as they become due.

1.16 "Transfer" does include a return on investment made by a qualified charitable
1.17 or religious organization or entity. "Qualified charitable or religious organization or
1.18 entity" means an organization or entity described in United States Code, title 26, section
1.19 170(c)(1), (2), or (3). The burden of proving that an organization or entity had reason to
1.20 believe that one of the two exceptions in this section applies is on the creditor. This
1.21 section does not impose any duty on a charitable organization or entity to make inquiry
1.22 regarding the financial status of a contributor."

1.23 Page 3, delete lines 32 and 33 and insert:

1.24 "EFFECTIVE DATE. This section is effective the day following final enactment
1.25 and applies to a cause of action existing on, or arising on or after that date."