



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB4161

Introduced 1/22/2020, by Rep. Ryan Spain

SYNOPSIS AS INTRODUCED:

225 ILCS 460/2

from Ch. 23, par. 5102

Amends the Solicitation for Charity Act. Provides that the Attorney General shall include specified language informing charitable organizations of the registration requirements under the Act in the Attorney General's "Building Better Charities" website content or other similar website content and the Attorney General's Charitable Organization Instruction Sheet found on the Attorney General's website. Effective immediately.

LRB101 15898 SPS 65255 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Solicitation for Charity Act is amended by
5 changing Section 2 as follows:

6 (225 ILCS 460/2) (from Ch. 23, par. 5102)

7 Sec. 2. Registration; rules; penalties.

8 (a) Every charitable organization, except as otherwise
9 provided in Section 3 of this Act, which solicits or intends to
10 solicit contributions from persons in this State or which is
11 located in this State, by any means whatsoever shall, prior to
12 any solicitation, file with the Attorney General upon forms
13 prescribed by him, a registration statement, accompanied by a
14 registration fee of \$15, which statement shall include the
15 following certified information:

16 1. The name of the organization and the name or names
17 under which it intends to solicit contributions.

18 2. The names and addresses of the officers, directors,
19 trustees, and chief executive officer of the organization.

20 3. The addresses of the organization and the addresses
21 of any offices in this State. If the organization does not
22 maintain a principal office, the name and address of the
23 person having custody of its financial records.

1 4. Where and when the organization was legally
2 established, the form of its organization and its tax
3 exempt status.

4 5. The purpose for which the organization is organized
5 and the purpose or purposes for which the contributions to
6 be solicited will be used.

7 6. The date on which the fiscal year of the
8 organization ends.

9 7. Whether the organization is authorized by any other
10 governmental authority to solicit contributions and
11 whether it is or has ever been enjoined by any court from
12 soliciting contributions.

13 8. The names and addresses of any professional fund
14 raisers who are acting or have agreed to act on behalf of
15 the organization.

16 9. Methods by which solicitation will be made.

17 10. Copies of contracts between charitable
18 organizations and professional fund raisers relating to
19 financial compensation or profit to be derived by the
20 professional fund raisers. Where any such contract is
21 executed after filing of registration statement, a copy
22 thereof shall be filed within 10 days of the date of
23 execution.

24 11. Board, group, or individual having final
25 discretion as to the distribution and use of contributions
26 received.

1 (b) The registration statement shall be signed by the
2 president or other authorized officer and the chief fiscal
3 officer of the organization.

4 (c) Such registration shall remain in effect unless it is
5 either cancelled as provided in this Act or withdrawn by the
6 organization.

7 (d) Every registered organization shall notify the
8 Attorney General within 10 days of any change in the
9 information required to be furnished by such organization under
10 paragraphs 1 through 11 of subdivision (a) of this Section.

11 (e) In no event shall a registration of a charitable
12 organization continue, or be continued, in effect after the
13 date such organization should have filed, but failed to file,
14 an annual report in accordance with the requirements of Section
15 4 of this Act, and such organization shall not be eligible to
16 file a new registration until it shall have filed the required
17 annual report with the Attorney General. If such report is
18 subsequently filed and accepted by the Attorney General such
19 organization may file a new registration. If a person, trustee,
20 or organization fails to timely register or maintain a
21 registration of a trust or organization as required by this Act
22 or if its registration is cancelled as provided in this Act,
23 and if that trust or organization remains in existence and by
24 law is required to be registered, in order to re-register or
25 file a late registration a current registration statement must
26 be filed accompanied by financial reports in the form required

1 herein for all past years. In all instances where
2 re-registration and late registration are allowed, the new
3 registration materials must be filed, accompanied by a penalty
4 registration fee of \$200. The Attorney General shall include
5 the following language informing charitable organizations of
6 the registration requirements under this Act in all capital
7 letters and bold print in the Attorney General's "Building
8 Better Charities" website content or other similarly
9 characterized website content and on the Attorney General's
10 Charitable Organization Instruction Sheet found on the
11 Attorney General's website:

12 "REGISTRATION WITH THE ILLINOIS ATTORNEY GENERAL MUST
13 OCCUR BEFORE THE CHARITY MAY MAKE ANY SOLICITATION IN THIS
14 STATE. FAILURE TO REGISTER PRIOR TO SOLICITATION SHALL
15 TRIGGER A LATE FILING FEE AS SPECIFIED IN SUBSECTION (e) OF
16 SECTION 2 OF THE SOLICITATION FOR CHARITY ACT."

17 (f) Subject to reasonable rules and regulations adopted by
18 the Attorney General, the register, registration statements,
19 annual reports, financial statements, professional fund
20 raisers' contracts, bonds, applications for registration and
21 re-registration, and other documents required to be filed with
22 the Attorney General shall be open to public inspection.

23 Every person subject to this Act shall maintain accurate
24 and detailed books and records at the principal office of the
25 organization to provide the information required herein. All
26 such books and records shall be open to inspection at all

1 reasonable times by the Attorney General or his duly authorized
2 representative.

3 (g) Where any local, county or area division of a
4 charitable organization is supervised and controlled by a
5 superior or parent organization, incorporated, qualified to do
6 business, or doing business within this State, such local,
7 county or area division shall not be required to register under
8 this Section if the superior or parent organization files a
9 registration statement on behalf of the local, county or area
10 division in addition to or as part of its own registration
11 statement. Where a registration statement has been filed by a
12 superior or parent organization as provided in Section 2(g) of
13 this Act, it shall file the annual report required under
14 Section 4 of this Act on behalf of the local, county or area
15 division in addition to or as part of its own report, but the
16 accounting information required under Section 4 of this Act
17 shall be set forth separately and not in consolidated form with
18 respect to every local, county or area division which raises or
19 expends more than \$4,000.

20 (h) The Attorney General may make rules of procedure and
21 regulations necessary for the administration of this Act.
22 Copies of all such rules of procedure and regulations and of
23 all changes therein, duly certified by the Attorney General,
24 shall be filed in the office of the Secretary of State.

25 (i) If a person, organization, or trustee fails to register
26 or if registration of a trust or organization is cancelled as

1 provided in this Act, the person, organization or trustee is
2 subject to injunction, to removal, to account, and to
3 appropriate other relief before the circuit court exercising
4 chancery jurisdiction. In addition to any other relief granted
5 under this Act, the court may impose a civil penalty of not
6 less than \$500 nor more than \$1,000 against the organization or
7 trust estate that failed to register or failed to maintain a
8 registration required under this Act. The collected penalty
9 funds shall be used for charitable trust enforcement and for
10 providing charitable trust information to the public.

11 (Source: P.A. 90-469, eff. 8-17-97; 91-444, eff. 8-6-99.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.