

1 AN ACT concerning military service.

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

4 Section 1. Short title. This Act may be cited as the
5 Veteran Service Organizations State Charter Act.

6 Section 5. State charter. A veteran service organization
7 shall be considered state chartered when the organization
8 meets all of the requirements listed in this Act and the
9 organization's application for state charter status has been
10 approved by the Attorney General. Upon approval, the Attorney
11 General shall issue a letter granting state charter status to
12 the organization.

13 Section 10. Granting of state charter status. The Attorney
14 General shall grant state charter status to any organization
15 that has demonstrated that all requirements for obtaining
16 state charter status have been met.

17 Section 15. State charter requirements. To qualify for
18 state charter status, a veteran service organization must:

19 (1) Have been formed by and for veterans with a board
20 composition of mostly veterans or have annual expenditures
21 that demonstrate that the majority of the organization's

1 expenses reflect support for veterans, service members,
2 and their families; or (ii) have a paid membership of at
3 least 15 individuals and be associated with a
4 congressionally chartered organization; or (iii) provides
5 responsible aid, assistance, or services to the veteran
6 community.

7 (2) Possess tax-exempt status from the Internal
8 Revenue Service either under Section 501(c)(3) or Section
9 501(c)(19) of the Internal Revenue Code and have the
10 primary charitable purpose of providing service or
11 assistance to veterans, their spouses, or their
12 dependents.

13 (3) Possess a current certificate of good standing as
14 an Illinois registered not-for-profit organization from
15 the Secretary of State.

16 (4) Obtain and maintain ongoing registration and
17 compliance under the Charitable Trust Act with the
18 Charitable Trust Bureau of the Attorney General's Office
19 or substantiation for an exemption.

20 (5) For organizations with veteran service officers,
21 demonstrate that each veteran service officer possesses a
22 valid U.S. Department of Veterans Affairs accreditation or
23 that such accreditation is pending.

24 Section 20. Application for state charter status. A
25 veteran service organization may submit an application for

1 state charter status to the Attorney General. All supporting
2 documentation demonstrating that each of the requirements
3 listed in this Act have been met shall be provided with the
4 application.

5 Section 25. Attestation of compliance. Any application for
6 state charter status shall include the following statement, on
7 organizational letterhead and signed by all officers: "All
8 officers for (insert lawful organizational name) do hereby
9 attest that all requirements for a state charter have been
10 met, that there are no past or ongoing enforcement actions or
11 lawsuits against the organization or any of its officers for
12 violations or suspected violations of the Consumer Fraud and
13 Deceptive Business Practices Act, or the Military Veterans
14 Assistance Act, and that we will notify the Attorney General
15 within 30 days if, at any point, the organization no longer
16 meets one or more of the requirements for state charter
17 status."

18 Section 30. Denial of state charter. The Attorney General
19 shall deny an application for state charter status to any
20 organization that does not meet all requirements for state
21 charter status in Section 20. Any organization whose state
22 charter application has been denied may resubmit that
23 application once all deficiencies have been corrected.

1 Section 35. Duration of state charter status. State
2 charter status shall be valid for 5 years. A veteran service
3 organization must reapply for state charter status prior to
4 the expiration of its current state charter status.

5 Section 40. Revocation. If the Attorney General is made
6 aware, either through notification as provided in Section 30
7 or through other information or evidence, that an organization
8 that has been granted state charter status no longer meets one
9 or more of the requirements of Section 20, the Attorney
10 General may revoke the state charter status. Nothing in this
11 Section is intended to take away or limit any powers of the
12 Attorney General under common law or other statutory law, and
13 the Attorney General may, in his or her sole discretion,
14 request that a court revoke state charter status based on
15 other conduct not specifically listed in this Section.

16 Section 45. Publication of state chartered veteran service
17 organizations. The Attorney General shall maintain a publicly
18 accessible list of state chartered veteran service
19 organizations.

20 Section 50. Violation. It is a violation of Section 9 of
21 the Military Veterans Assistance Act for any person, group, or
22 entity to assert state charter status where such status has
23 not been granted in accordance with this Act or where such

1 status has been revoked.