



General Assembly

February Session, 2000

Raised Bill No. 5593

LCO No. 1653

Referred to Committee on General Law

Introduced by:

(GL)

An Act Concerning Charitable Solicitations.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 21a-190c of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 (a) Every charitable organization required to register pursuant to
4 section 21a-190b shall annually file with the department a report for its
5 most recently completed fiscal year, which report shall include a
6 financial statement and such other information as the commissioner
7 may require. Such charitable organization shall file such report not
8 more than five months following the close of its fiscal year, which
9 report shall be accompanied by a fee of twenty-five dollars and shall be
10 signed by two authorized officers of the organization, one of whom
11 shall be the chief fiscal officer of the organization. Such officers shall
12 certify that such report is true and correct to the best of their
13 knowledge. The commissioner shall prescribe the form of the report
14 and may prescribe standards for its completion. The commissioner
15 may accept, under such conditions as he may prescribe, a copy or
16 duplicate original of financial statements, reports or returns filed by
17 the charitable organization with the Internal Revenue Service or

18 another state having requirements similar to the provisions of sections
19 21a-190a to 21a-190l, inclusive, as amended by this act.

20 (b) A charitable organization with gross revenue in excess of [one]
21 two hundred thousand dollars in the year covered by the report shall
22 include with its financial statement an audit report of a certified public
23 accountant. For purposes of this section, gross revenue shall not
24 include grants or fees from government agencies.

25 (c) The commissioner may, upon written request and for good cause
26 shown, grant an extension of time, not to exceed three months, for the
27 filing of such report.

28 (d) An additional late filing fee of [twenty-five] forty dollars shall
29 accompany any report which is not filed in a timely manner.

30 (e) Every charitable organization required to file an annual report
31 and every charitable organization subject to the provisions of
32 subdivision (6) of section 21a-190d, as amended by this act, shall keep
33 true fiscal records which shall be available to the department for
34 inspection upon request. Such organization shall retain such records
35 for no less than three years after the end of the fiscal year to which they
36 relate.

37 Sec. 2. Section 21a-190d of the general statutes is repealed and the
38 following is substituted in lieu thereof:

39 The following charitable organizations shall not be subject to the
40 provisions of sections 21a-190b and 21a-190c, as amended by this act,
41 provided each such organization shall submit such information as the
42 department may require to substantiate an exemption under this
43 section:

44 (1) Any duly organized religious corporation, institution or society;

45 (2) Any parent-teacher association or educational institution, the
46 curricula of which in whole or in part are registered or approved by

47 any state or the United States either directly or by acceptance of
48 accreditation by an accrediting body;

49 (3) Any nonprofit hospital licensed in accordance with the
50 provisions of section 19a-630 or any similar provision of the laws of
51 any other state;

52 (4) Any governmental unit or instrumentality of any state or the
53 United States;

54 (5) Any person who solicits solely for the benefit of organizations
55 described in subdivisions (1) to (4), inclusive, of this section; and

56 (6) Any charitable organization which normally receives less than
57 [twenty-five] fifty thousand dollars in contributions annually,
58 provided such organization does not compensate any person primarily
59 to conduct solicitations.

60 Sec. 3. Section 21a-190l of the general statutes is repealed and the
61 following is substituted in lieu thereof:

62 (a) The commissioner may deny, suspend or revoke the registration
63 of any charitable organization, fund-raising counsel or paid solicitor
64 which has violated any provision of sections 21a-190a to 21a-190l,
65 inclusive, as amended by this act. The commissioner may accept a
66 written assurance of compliance when he determines that a violation
67 of said sections is not material and that the public interest would not
68 be served by a denial, suspension or revocation of such registration.

69 (b) The Attorney General, at the request of the commissioner, may
70 apply to the Superior Court for, and the court may grant, a temporary
71 injunction or a permanent injunction to restrain violations of sections
72 21a-190a to 21a-190l, inclusive, as amended by this act, the
73 appointment of a receiver, an order of restitution, an accounting and
74 such other relief as may be appropriate to ensure the due application
75 of charitable funds. Proceedings thereon shall be brought in the name
76 of the state.

77 (c) Any person who knowingly violates any provision of sections
78 21a-190a to 21a-190l, inclusive, as amended by this act, shall be fined
79 not more than [one] five thousand dollars or imprisoned not more than
80 one year, or both.

81 (d) In any action brought under subsection (b) of section 21a-190l, as
82 amended by this act, if the court finds that a person has wilfully
83 engaged in conduct prohibited by section 21a-190h, the Attorney
84 General, upon petition to the court, may recover, on behalf of the state,
85 a civil penalty of not more than two thousand five hundred dollars for
86 each violation. For purposes of this subsection, a wilful violation
87 occurs when the party committing the violation knew or should have
88 known that such conduct was prohibited by section 21a-190h, as
89 amended by this act.

GL Committee Vote: Yea 14 Nay 0 JF