

SENATE, No. 787

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 15, 1996

By Senators MATHEUSSEN and CONNORS

1 AN ACT concerning the renewal of registrations by certain charitable
2 organizations and amending P.L.1994, c.16.

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. Section 6 of P.L.1994, c.16 (C.45:17A-23) is amended to read
8 as follows:

9 6. a. A charitable organization, unless exempted from registration
10 requirements pursuant to section 9 of this act, shall file a registration
11 statement with the Attorney General on forms prescribed by the
12 Attorney General.

13 b. It shall be unlawful for any charitable organization to solicit
14 contributions or have contributions solicited in its behalf before the
15 Attorney General has been given the opportunity to review the
16 registration statement pursuant to section 5 of this act. A renewal
17 statement **[must]** , or verification statement if permitted by subsection
18 e. of section 8 of P.L.1994, c.16 (C.45:17A-25), shall be filed annually
19 within six months after the close of the charitable organization's fiscal
20 year. For good cause shown, the Attorney General may extend the
21 time for the annual filing of the renewal statement or verification
22 statement and financial report for a period not to exceed 180 days,
23 during which time the previous registration shall remain in effect. The
24 request for an extension shall be in writing and received by the
25 Attorney General before the filing deadline.

26 c. All registration statements shall be signed by two authorized
27 officers, including the chief fiscal officer of the organization, who shall
28 certify that information contained in the registration statements **[are]**
29 is correct.

30 d. The Attorney General shall prescribe all fees for the filing of all
31 registration statements according to the provisions of this act. The
32 fees for the filing of registration statements by charitable organizations
33 may be graduated based upon the amount of contributions received
34 during the previous fiscal year. A parent organization filing on behalf

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 of one or more local units shall pay a single annual registration fee for
2 itself and a fee for each local unit included in the registration
3 statement.

4 (cf: P.L.1994, c.16, s.6)

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6 2. Section 8 of P.L.1994, c.16 (C.45:17A-25) is amended to read
7 as follows:

8 8. a. The following charitable organizations shall be required to
9 file a short form registration on forms prescribed by the Attorney
10 General:

11 (1) Charitable organizations or organizations engaging in a
12 charitable fund raising campaign which do not receive gross
13 contributions in excess of \$25,000 during a fiscal year, if all of their
14 functions including fund raising activities are carried on by volunteers,
15 members, officers or persons who are not compensated for soliciting
16 contributions; except that, if the gross contributions, whether or not
17 all is received by any charitable organization during any fiscal year, are
18 in excess of \$25,000 it shall, within 30 days after the date on which it
19 shall have received the contributions, register with and report to the
20 Attorney General as required by section 7 of this act;

21 (2) Fraternal, patriotic, social or alumni organizations, historical
22 societies, and similar organizations organized under the provisions of
23 Title 15 of the Revised Statutes or Title 15A of the New Jersey
24 Statutes, when solicitation of contributions is confined to their
25 membership and solicitation is performed by members of that
26 organization;

27 (3) Persons requesting any contributions for the relief of any
28 individual, specified by name at the time of the solicitation, if all of the
29 contributions collected, without any deductions whatsoever, are turned
30 over to the named beneficiary;

31 (4) Any local post, camp, chapter or similarly designated element,
32 or a county unit of that element, of a bona fide veterans' organization
33 which issues charters to the local elements throughout this State, or to
34 any veterans' organization chartered under federal law or to any
35 service foundation of such an organization recognized in its bylaws.

36 b. The short form shall contain the following:

37 (1) Name and address of the organization;

38 (2) Whether the organization has engaged an independent paid
39 fund raiser, fund raising counsel or commercial co-venturer;

40 (3) The purpose for which the charitable organization is organized;

41 (4) The purposes for which the funds are raised;

42 (5) The tax status of the charitable organization;

43 (6) The reason the organization is eligible to file a short form
44 registration;

45 (7) A copy of the organization's most recent Internal Revenue
46 Service Form 990 and Schedule (A)990 if the organization filed these

1 forms;

2 (8) Any other information as may be prescribed by rules adopted
3 by the Attorney General.

4 c. In order to register its qualified local units pursuant to
5 subsection c. of section 9 of this act, a parent organization registered
6 pursuant to this section shall include with its initial registration, a copy
7 of the parent organization's charter, articles or organization, agreement
8 of association, instrument of trust, constitution or other organizational
9 instrument and bylaws, and shall include with its initial registration and
10 annual renewal statement a separate statement that provides the
11 following:

12 (1) The name, principal street address, and phone number of all
13 local units within this State that it is registering;

14 (2) The amount of gross contributions received by each such unit
15 and the purpose or purposes for which these funds were raised in the
16 preceding fiscal year;

17 (3) A statement asserting that each such local unit has provided the
18 parent organization with a written statement reporting the information
19 included on its behalf and asserting that the local unit meets all of the
20 requirements of subsection c. of section 9 of this act.

21 d. Nothing in subsection c. of this section shall be construed to
22 require a parent organization to register any or all of its local units.

23 e. Any charitable organization which has filed a short form
24 registration statement pursuant to this section may file an annual
25 verification statement with the Attorney General in lieu of an annual
26 renewal statement, if the information provided pursuant to paragraphs
27 (1) through (6) of subsection b. of this section in the most recently
28 filed registration statement has not changed. A charitable organization
29 filing a verification statement shall file the information required
30 pursuant to paragraph (7) of subsection b. of this section, or the
31 amount of gross contributions raised by the charitable organization and
32 an itemization of expenditures in the preceding fiscal year, if required
33 by the Attorney General.

34 (cf: P.L.1994, c.16, s.8)

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36 3. Section 23 of P.L.1994, c.16 (C.45:17A-40) is amended to read
37 as follows:

38 23. Fees shall be established, prescribed or charged by the Attorney
39 General pursuant to his regulatory authority to the extent necessary to
40 defray all proper expenses incurred by the Attorney General and any
41 staff employed to administer this act, provided that fees shall not be
42 fixed at a level that will raise amounts in excess of the amount
43 estimated to be so required and provided, further, that any fees set by
44 the Attorney General shall not exceed the following amounts:

45 a. A charitable organization which is required pursuant to section
46 8 of this act to file a short form registration statement and received

1 gross contributions of not more than \$10,000 during the most recently
2 filed fiscal year shall not be required to pay an annual registration fee.

3 b. A charitable organization which is required pursuant to section
4 8 of this act to file a short form registration statement and received
5 gross contributions in excess of \$10,000 during the most recently filed
6 fiscal year of the organization shall pay an annual registration fee of
7 not more than \$30 a year, and shall pay an annual renewal fee of not
8 more than \$5 a year if filing a verification statement pursuant to
9 subsection e. of section 8 of P.L.1994, c.16 (C.45:17A-25).

10 c. A charitable organization which is required pursuant to section
11 7 of this act to file a long form registration statement and received
12 gross contributions of not more than \$100,000 during the most
13 recently filed fiscal year of the organization shall pay an annual
14 registration fee of not more than \$60 a year.

15 d. A charitable organization which is required pursuant to section
16 7 of this act to file a long form registration statement and received
17 gross contributions of more than \$100,000 but not more than
18 \$500,000 during the most recently filed fiscal year of the organization
19 shall pay an annual registration fee of not more than \$150 a year.

20 e. A charitable organization which is required pursuant to section
21 7 of this act to file a long form registration statement and received
22 gross contributions of more than \$500,000 during the most recently
23 filed fiscal year of the organization shall pay an annual registration fee
24 of not more than \$250 a year.

25 f. Contract filing fees established pursuant to this act shall be set
26 at not more than \$30 for each such fee.

27 g. A parent organization that registers local units in accordance
28 with the provisions of subsection e. of section 7 or subsection c. of
29 section 8 of this act shall pay an additional fee not to exceed \$10 for
30 each local unit.

31 All fees payable to the Attorney General and any civil penalties
32 imposed by the Attorney General in accordance with the provisions of
33 this act shall be paid to the Attorney General and shall be forwarded
34 to the State Treasurer and become part of the General Fund. These
35 fees and penalties shall be available to the Attorney General on a
36 nonlapsing basis to effectuate the purposes of this act.

37 (cf: P.L.1994, c.16, s.23)

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39 4. This act shall take effect immediately.

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STATEMENT

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44 This bill provides that charitable organizations entitled to file a
45 short form registration statement pursuant to the "Charitable
46 Registration and Investigation Act," P.L.1994, c.16 (C.45:17-1 et

1 seq.) may file an annual verification statement if the information filed
2 with their last registration statement has not changed. The bill
3 requires a \$5 fee for the filing of a verification statement. A charitable
4 organization filing a verification statement must also file a copy of its
5 most recently filed Internal Revenue Service Form 990 and Schedule
6 (A)990, or the amount of gross contributions raised by the charitable
7 organization and an itemization of expenditures in the preceding fiscal
8 year, if required by the Attorney General.

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14 Permits certain charities to renew registration by verification
statement.