

1                                   **CHARITABLE SOLICITATIONS ACT**

2   **AMENDMENTS**

3   2007 GENERAL SESSION

4   STATE OF UTAH

5   **Chief Sponsor: James R. Gowans**

6   Senate Sponsor: Brent H. Goodfellow

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8                   **LONG TITLE**

9                   **General Description:**

10                   This bill exempts an entity soliciting funds for a children's justice center from Title 13,  
11 Chapter 22, Charitable Solicitations Act.

12                   **Highlighted Provisions:**

13                   This bill:

- 14                   ▶ exempts an entity soliciting funds for a children's justice center from Title 13,  
15 Chapter 22, Charitable Solicitations Act; and
- 16                   ▶ makes technical changes.

17                   **Monies Appropriated in this Bill:**

18                   None

19                   **Other Special Clauses:**

20                   None

21                   **Utah Code Sections Affected:**

22                   AMENDS:

23                   **13-22-8**, as last amended by Chapter 55, Laws of Utah 2004

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25                   *Be it enacted by the Legislature of the state of Utah:*

26                   Section 1. Section **13-22-8** is amended to read:

27                   **13-22-8. Exemptions.**



- 28 (1) Section 13-22-5 does not apply to:
- 29 (a) a solicitation that an organization conducts among its own established and bona fide
- 30 membership exclusively through the voluntarily donated efforts of other members or officers of
- 31 the organization;
- 32 (b) a bona fide religious, ecclesiastical, or denominational organization if:
- 33 (i) the solicitation is made for a church, missionary, religious, or humanitarian purpose;
- 34 and
- 35 (ii) the organization is either:
- 36 (A) a lawfully organized corporation, institution, society, church, or established
- 37 physical place of worship, at which nonprofit religious services and activities are regularly
- 38 conducted and carried on;
- 39 (B) a bona fide religious group:
- 40 (I) that does not maintain specific places of worship;
- 41 (II) that is not subject to federal income tax; and
- 42 (III) not required to file an IRS Form 990 under any circumstance; or
- 43 (C) a separate group or corporation that is an integral part of an institution that is an
- 44 income tax exempt organization under 26 U.S.C. Sec. 501(c)(3) and is not primarily supported
- 45 by funds solicited outside its own membership or congregation;
- 46 (c) a solicitation by a broadcast media owned or operated by an educational institution
- 47 or governmental entity, or any entity organized solely for the support of that broadcast media;
- 48 (d) except as provided in Subsection 13-22-21(1), a solicitation for the relief of any
- 49 person sustaining a life-threatening illness or injury specified by name at the time of
- 50 solicitation if the entire amount collected without any deduction is turned over to the named
- 51 person;
- 52 (e) a political party authorized to transact its affairs within this state and any candidate
- 53 and campaign worker of the party if the content and manner of any solicitation make clear that
- 54 the solicitation is for the benefit of the political party or candidate;
- 55 (f) a political action committee or group soliciting funds relating to issues or candidates
- 56 on the ballot if the committee or group is required to file financial information with a federal or
- 57 state election commission;
- 58 (g) any school accredited by the state, any accredited institution of higher learning, or

59 club or parent, teacher, or student organization within and authorized by the school in support  
60 of the operations or extracurricular activities of the school;

61 (h) a public or higher education foundation established under Title 53A or 53B;

62 (i) a television station, radio station, or newspaper of general circulation that donates  
63 air time or print space for no consideration as part of a cooperative solicitation effort on behalf  
64 of a charitable organization, whether or not that organization is required to register under this  
65 chapter;

66 (j) a volunteer fire department, rescue squad, or local civil defense organization whose  
67 financial oversight is under the control of a local governmental entity;

68 (k) any governmental unit of any state or the United States; ~~and~~

69 (l) any corporation:

70 (i) established by an act of the United States Congress; and

71 (ii) that is required by federal law to submit an annual report:

72 (A) on the activities of the corporation, including an itemized report of all receipts and  
73 expenditures of the corporation; and

74 (B) to the United States Secretary of Defense to be:

75 (I) audited; and

76 (II) submitted to the United States Congress[-]; and

77 (m) a not-for-profit entity soliciting funds to be used solely for a children's justice  
78 center established under Title 67, Chapter 5b, Children's Justice Center Program.

79 (2) Any organization claiming an exemption under this section bears the burden of  
80 proving its eligibility for, or the applicability of, the exemption claimed.

81 (3) Each organization exempt from registration pursuant to this section that makes a  
82 material change in its legal status, officers, address, or similar changes shall file a report  
83 informing the division of its current legal status, business address, business phone, officers, and  
84 primary contact person within 30 days of the change.

85 (4) The division may by rule:

86 (a) require organizations exempt from registration pursuant to this section to file a  
87 notice of claim of exemption;

88 (b) prescribe the contents of the notice of claim; and

89 (c) require a filing fee for the notice, as determined under Section 63-38-3.2.

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**Legislative Review Note**  
**as of 2-1-07 3:49 PM**

**Office of Legislative Research and General Counsel**

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**H.B. 446 - Charitable Solicitations Act Amendments**

**Fiscal Note**

2007 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for local governments. The entities that solicit funds for the Children's Justice Centers will not be required to register or pay an annual fee.

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