

**SCOTT SCHWAB**  
Secretary of State



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## STATE OF KANSAS

**Testimony: HB2080 (Proponent)**

House Judiciary Committee  
Monday, January 25, 2020

Chairman Patton and members of the Committee:

HB2080, if enacted, would move the Charitable Organizations and Solicitations Act duties into the Office of the Attorney General. Our office worked with the Attorney General to introduce this legislation in 2020 through SB293, and in 2021 through HB2080.

Under current law, the Secretary of State is responsible for administering the registration of certain charitable organizations, solicitors and fundraisers, that are not otherwise exempted from registration by state statute (K.S.A. 17-1762), while the Attorney General's Office investigates and prosecutes violations of the charities statutes. For several years, our office has coordinated the regulation of charities with the Attorney General's office. We believe HB2080 would provide better customer service and more efficient administration to have one agency perform these tasks.

On behalf of the Office of Secretary of State, we believe HB2080 effectively combines regulatory and enforcement responsibilities into a single agency. We appreciate your consideration and ask for your support.

Respectfully Submitted,

Clay Barker  
Deputy Assistant Secretary of State  
Assistant General Counsel

Attachment

## Charitable Organizations – exempt from registration

**17-1762. Same; exemptions from registration.** The following persons shall not be required to register with the secretary of state:

(a) State educational institutions under the control and supervision of the state board of regents, unified school districts, educational interlocals, educational cooperatives, area vocational-technical schools, all educational institutions that are accredited by a regional accrediting association or by an organization affiliated with the national commission of accrediting, any foundation having an established identity with any of the aforementioned educational institutions, any other educational institution confining its solicitation of contributions to the student body, alumni, faculty and trustees of such institution, and their families, or a library established under the laws of this state, provided that the annual financial report of such institution or library shall be filed with the attorney general;

(b) fraternal, patriotic, social, educational, alumni organizations and historical societies when solicitation of contributions is confined to their membership. This exemption shall be extended to any subsidiary of a parent or superior organization exempted by this subsection where such solicitation is confined to the membership of the subsidiary, parent or superior organization;

(c) persons requesting any contributions for the relief or benefit of any individual, specified by name at the time of the solicitation, if the contributions collected are turned over to the named beneficiary, first deducting reasonable expenses for costs of banquets, or social gatherings, if any, provided all fund raising functions are carried on by persons who are unpaid, directly or indirectly, for such services;

(d) any charitable organization which does not intend to solicit and receive and does not actually receive contributions in excess of \$10,000 during such organization's tax period, as defined by K.S.A. [17-7501](#), and amendments thereto, if all of such organization's fund-raising functions are carried on by persons who are unpaid for such services. However, if the gross contributions received by such charitable organization during any such tax period is in excess of \$10,000, such organization, within 30 days after the end of such tax period, shall register with the secretary of state as provided in K.S.A. [17-1763](#), and amendments thereto;

(e) any incorporated community chest, united fund, united way or any charitable organization receiving an allocation from an incorporated community chest, united fund or united way;

(f) a bona fide organization of volunteer firemen, or a bona fide auxiliary or affiliate of such organization, if all fund-raising activities are carried on by members of such organization or an affiliate thereof and such members receive no compensation, directly or indirectly, therefor;

(g) any charitable organization operating a nursery for infants awaiting adoption if all fund-raising activities are carried on by members of such an organization or an affiliate thereof and such members receive no compensation, directly or indirectly, therefor;

(h) any corporation established by the federal congress that is required by federal law to submit annual reports of such corporation's activities to congress containing itemized accounts of all receipts and expenditures after being duly audited by the department of defense or other federal department;

(i) any girls' club which is affiliated with the girls' club of America, a corporation chartered by congress, if such an affiliate properly files the reports required by the girls' club of America and that the girls' club of America files with the government of the United States the reports required by such federal charter;

(j) any boys' club which is affiliated with the boys' club of America, a corporation chartered by congress, if such an affiliate properly files the reports required by the boys' club of America and that the boys' club of America files with the government of the United States the reports required by such federal charter;

(k) any corporation, trust or organization incorporated or established for religious purposes, or established for charitable, hospital or educational purposes and engaged in effectuating one or more of such purposes, that is affiliated with, operated by or supervised or controlled by a corporation, trust or organization incorporated or established for religious purposes, or to any other religious agency or organization which serves religion by the preservation of religious rights and freedom from persecution or prejudice or by fostering religion, including the moral and ethical aspects of a particular religious faith;

(l) the boy scouts of America and the girl scouts of America, including any regional or local organization affiliated therewith;

(m) the young men's christian association and the young women's christian association, including any regional or local organization affiliated therewith;

(n) any licensed medical care facility which is organized as a nonprofit corporation under the laws of this state;

- (o) any licensed community mental health center or licensed mental health clinic;
- (p) any licensed community center for people with intellectual disability and its affiliates as determined by the Kansas department for aging and disability services;
- (q) any charitable organization of employees of a corporation whose principal gifts are made to an incorporated community chest, united fund or united way, and whose solicitation is limited to such employees;
- (r) any community foundation or community trust to which deductible contributions can be made by individuals, corporations, public charities and private foundations, as well as other charitable organizations and governmental agencies for the overall purposes of the foundation or to particular charitable and endowment funds established under agreement with the foundation or trust for the charitable benefit of the people of a specific geographic area and which is a nonprofit organization exempt from federal income taxation pursuant to section 501(a) of the internal revenue code of 1986, as in effect on the effective date of this act, by reason of qualification under section 501(c)(3) of the internal revenue code of 1986, as in effect on the effective date of this act, and which is deemed a publicly supported organization and not a private foundation within the meaning of section 509(a)(1) of the internal revenue code of 1986, as in effect on the effective date of this act;
- (s) any charitable organization which does not intend to or does not actually solicit or receive contributions from more than 100 persons;
- (t) any charitable organization the funds of which are used to support an activity of a municipality of this state;
- (u) the junior league, including any local community organization affiliated therewith; and
- (v) any charitable organization that is an animal shelter licensed pursuant to K.S.A. [47-1701](#) et seq., and amendments thereto.

**History:** L. 1988, ch. 96, § 4; L. 1989, ch. 76, § 1; L. 2012, ch. 91, § 3; L. 2014, ch. 115, § 13; L. 2019, ch. 47, § 53; July 1.