AN ACT
RELATING TO BUSINESSES AND PROFESSIONS -- SOLICITATION BY CHARITABLE ORGANIZATIONS

Introduced By: Representatives Casimiro, Noret, Kazarian, Cardillo, Tanzi, Batista, Donovan, Corvese, and Alzate
Date Introduced: March 07, 2022
Referred To: House Corporations

It is enacted by the General Assembly as follows:

SECTION 1. Section 5-53.1-3 of the General Laws in Chapter 5-53.1 entitled "Solicitation by Charitable Organizations" is hereby amended to read as follows:

   (a) The following persons shall not be required to file a registration statement with the department:
      (1) Educational institutions, including parent-teacher associations, the curricula of which in whole or in part are registered or approved by a governmental agency as well as all other educational institutions within this state recognized or certified as educational institutions by a generally recognized and accepted regional or national educational accrediting organization.
      (2) Persons requesting any contributions for the relief of any individual, specified by name at the time of the solicitation, if all of the contributions collected, without any deductions whatsoever, are turned over to the named beneficiary.
      (3)(i) Any charitable organization that does not intend to solicit and receive and does not actually raise or receive contributions in excess of twenty-five thousand dollars ($25,000) during a fiscal year of the charitable organization, provided none of its fundraising functions are carried on by professional fundraisers and no part of its assets or income inures to the benefit of or is paid to any officer, director, member (if a limited-liability company), trustee, partner, or member of the charitable organization.
(ii) For the purpose of this subdivision, contributions received from corporations, charitable foundations, government agencies, or a duly registered federated fund, incorporated community appeal, or United Way, shall not be included in determining the total amount of contributions received.

(iii) If, during the fiscal year of any charitable organization, the gross contributions received by the charitable organization during that fiscal year exceed twenty-five thousand dollars ($25,000), it shall, within thirty (30) days after the date it shall have received total contributions in excess of twenty-five thousand dollars ($25,000), register with the director as required by § 5-53.1-2.

(4) Organizations that solicit only from their own membership. The term "membership" shall not include those persons who are granted a membership upon making a contribution as the result of a solicitation.

(5) Persons soliciting contributions solely from corporations, charitable foundations, or governmental agencies.

(6) Foundations or associations exclusively for the benefit of religious organizations, education institutions, nonprofit or charitable hospitals, and public libraries.

(7) Hospitals that are nonprofit and charitable.

(8) Veterans' organizations and their auxiliaries so long as the veterans' organizations are chartered under chapter 6 of title 7.

(9) Public libraries.

(10) Historical societies duly organized under the laws of this state.

(11) Free, not-for-profit, public art museums.

(12) Grange organizations and their auxiliaries.

(13) Churches or recognized denominations and religious organizations, societies, and institutions operated, supervised, or controlled by a religious organization or society that solicit from other than their own membership. Institutions indirectly or affiliated with but that are not operated, supervised, or controlled by any religious organizations or religious society that own, maintain, and operate homes for the aged, orphanages, and homes for unwed mothers.

(14) Volunteer fire and rescue associations.

(15) Land trusts duly organized under the laws of this state.

(16) Not-for-profit food bank or food pantry; provided, however, the Rhode Island community food bank shall not be included within this classification.

(b) Any charitable organization claiming to be exempt from the registration requirements of this chapter shall submit any information that the director may request to substantiate an
exemption under this section.

SECTION 2. This act shall take effect upon passage.
EXPLANATION
BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO BUSINESSES AND PROFESSIONS -- SOLICITATION BY CHARITABLE ORGANIZATIONS

***

1 This act would exempt not-for-profit food banks from the registration requirements under

2 the "solicitation by charitable organizations" statute.

3 This act would take effect upon passage.

==========

LC004855

==========