4/4/16 1:40 P.M.

Chapter No. 313
16/SS26/R591
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SENATE BILL NO. 2447

Originated in Senate Lz Welch Secretary

SENATE BILL NO. 2447

AN ACT TO AMEND SECTION 79-11-503, MISSISSIPPI CODE OF 1972, TO REVISE THE RENEWAL REGISTRATION PROCEDURE FOR CHARITABLE ORGANIZATIONS; TO AUTHORIZE THE SECRETARY OF STATE TO PROVIDE FOR EXTENSIONS OF THE DUE DATE FOR FILING ANNUAL RENEWAL OF SUCH REGISTRATION; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 79-11-503, Mississippi Code of 1972, is amended as follows:

79-11-503. (1) Except as otherwise provided in Section 79-11-505 and prior to any solicitation of contributions, every charitable organization as defined in Section 79-11-501 which solicits or intends to solicit contributions by any means whatsoever shall file a registration statement with, and pay a filing fee of Fifty Dollars ($50.00) to, the Secretary of State. A registration statement that contains false, misleading, deceptive or incomplete information or documentation shall not be considered sufficient. The registration statement shall be on forms prescribed by the Secretary of State and shall contain the

following information and such other information that the Secretary of State may require by rule:

(a) The name of the organization and the name or names under which it intends to solicit contributions;

(b) The names and addresses of the officers, directors, trustees and chief executive officer of the organization;

(c) The addresses of the organization and any offices in this state. If the organization does not maintain a principal office, the name and address of the person having custody of its financial records;

(d) Where and when the organization was legally established, the form of its organization and its tax-exempt status;

(e) The purpose for which the organization and the purpose or purposes for which the contributions to be solicited will be used;

(f) The date on which the fiscal year of the organization ends;

(g) Whether the organization is authorized by any other governmental authority to solicit contributions and a statement of (i) whether the charitable organization or any of its present officers, directors, executive personnel or trustees have ever had a license or registration denied, suspended, revoked or enjoined by any court or other governmental authority in this state or any other state, or (ii) whether the charitable organization has

voluntarily entered into an assurance or voluntary discontinuance or agreement with any jurisdiction or federal agency or officer;

(h) The names and addresses of any professional fundraisers or fund-raising counsel who are acting or have agreed to act on behalf of the organization;

(i) Methods by which solicitation will be made;

(j) Copies of contracts between charitable organizations and professional fundraisers or fund-raising counsel relating to financial compensation or profit to be derived by the professional fundraisers or fund-raising counsel. If any such contract is executed after filing of a registration statement, a copy thereof shall be filed within ten (10) days of the date of execution;

(k) The board, group or individual having final authority over the distribution, custody and use of contributions received;

(l) A financial report as required by Section 79-11-507;

(m) With the initial registration only, a copy of the current charter, articles of incorporation, agreement of association, instrument of trust, constitution, or other organizational instrument and a copy of the bylaws of the charitable organization; and

(n) With the initial registration or, if after registration, within thirty (30) days after its receipt, a copy of

any federal tax exemption determination letter, any correspondence rescinding the charitable organization's tax-exempt status, or any notification from the Internal Revenue Service of any challenge to or investigation of the charitable organization's continued entitlement to federal tax exemption.

(2) The registration statement shall be signed and sworn to under penalties of perjury by the president or other authorized officer and the chief fiscal officer of the organization.

(3) The Secretary of State shall issue a certificate of registration to a charitable organization once the Secretary of State determines that such organization has complied with all provisions of this chapter. No charitable organization required to be registered under this section shall solicit funds without a valid certificate of registration.

(4) (a) Such registration shall remain in effect * * * until the time for annual renewal. A charitable organization shall renew registration by filing forms prescribed by the Secretary of State and paying the Fifty Dollar ($50.00) renewal fee on or before the fifteenth day of the fifth month following the close of the charitable organization's taxable year.

(b) The Secretary of State pursuant to Section 79-11-509 may promulgate rules to provide for extensions of the due date for filing of the annual renewal required by this section and may impose an administrative penalty against any organization which fails to comply with this section within the time

prescribed, or fails to furnish such additional information as is requested by the Secretary of State within the required time.

(5) Every registered organization shall notify the Secretary of State within thirty (30) days of any change in the information required to be furnished by such organization under Sections 79-11-501 through 79-11-529.

(6) In no event shall a registered charitable organization continue to solicit contributions in or from this state after the date such organization should have filed, but failed to file, a renewal and the financial report in accordance with the requirements of Sections 79-11-501 through 79-11-529.

(7) If any local, county or area division of a charitable organization is supervised and controlled by a superior or parent organization, incorporated, qualified to do business, or doing business within this state, such local, county or area division shall not be required to register under this section if the superior or parent organization files a registration statement on behalf of the local, county or area division in addition to or as part of its own registration statement. If a registration statement has been filed by a superior or parent organization as provided in Section 79-11-503(1), it shall file the annual report required under Section 79-11-507 on behalf of the local, county or area division in addition to or as part of its own report, but the accounting information required under Section 79-11-507 shall be set forth separately and not in consolidated form with respect to

every local, county or area division which raises or expends more than Twenty-five Thousand Dollars ($25,000.00).

(8) Any registered charitable organization which for any reason opts not to renew its registration must, upon the expiration of its registration, provide to the Secretary of State a final report including the following, in addition to such other information the Secretary of State may require by rule:

(a) For domestic charitable organizations which have dissolved pursuant to the Mississippi Nonprofit Corporation Act;

(i) All financial statements and reports required by Section 79-11-507;

(ii) Articles of dissolution and certified minutes reflecting the dissolution;

(iii) A list of officers and trustees of the corporation, including their addresses and telephone numbers; and

(iv) A statement signed by an officer of the corporation providing details of the final distribution of assets.

(b) For all other charitable organizations, foreign or domestic, which opt not to renew for any other reason:

(i) All financial statements and reports required by Section 79-11-507; and

(ii) A statement signed by an officer of the charitable organization certifying that the organization has ceased charitable solicitations within the state.

SECTION 2. This act shall take effect and be in force from and after July 1, 2016.

PASSED BY THE SENATE
February 25, 2016

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 29, 2016

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

GOVERNOR

April 4, 2016
1:40pm