

AN ACT concerning military service.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 1. Short title. This Act may be cited as the Veteran Service Organizations State Charter Act.

Section 5. State charter. A veteran service organization shall be considered state chartered when the organization meets all of the requirements listed in this Act and the organization's application for state charter status has been approved by the Attorney General. Upon approval, the Attorney General shall issue a letter granting state charter status to the organization.

Section 10. Granting of state charter status. The Attorney General shall grant state charter status to any organization that has demonstrated that all requirements for obtaining state charter status have been met.

Section 15. State charter requirements. To qualify for state charter status, a veteran service organization must:

- (1) (A) Have been formed by and for veterans, have a board where a majority of its members are veterans, and have annual expenditures that demonstrate that a majority

of the organization's expenses reflect support for veterans; or (B) have a paid membership of at least 15 individuals and be associated with a congressionally chartered organization.

(2) Possess tax-exempt status from the Internal Revenue Service either under Section 501(c)(3) or Section 501(c)(19) of the Internal Revenue Code and have the primary charitable purpose of providing service or assistance to veterans, their spouses, or their dependents.

(3) Possess a current certificate of good standing as an Illinois registered not-for-profit organization from the Secretary of State.

(4) Obtain and maintain ongoing registration and compliance under the Charitable Trust Act with the Charitable Trust Bureau of the Attorney General's Office or substantiation for an exemption.

(5) For organizations with veteran service officers, demonstrate that each veteran service officer possesses a valid U.S. Department of Veterans Affairs accreditation or that such accreditation is pending.

(6) Comply with the methods and criteria set forth under Section 9 of the Military Veterans Assistance Act if the veteran service organization has delegates and alternates or is in the process of selecting and submitting delegates and alternates to a county Veterans

Assistance Commission at the time of application for State charter status.

Section 20. Application for state charter status. A veteran service organization may submit an application for state charter status to the Attorney General. All supporting documentation demonstrating that each of the requirements listed in this Act have been met shall be provided with the application.

Section 25. Attestation of compliance. Any application for state charter status shall include the following statement, on organizational letterhead and signed by all officers: "All officers for (insert lawful organizational name) do hereby attest that all requirements for a state charter have been met, that there are no past or ongoing enforcement actions or lawsuits against the organization or any of its officers for violations or suspected violations of the Consumer Fraud and Deceptive Business Practices Act, or the Military Veterans Assistance Act, and that we will notify the Attorney General within 30 days if, at any point, the organization no longer meets one or more of the requirements for state charter status."

Section 30. Denial of state charter. The Attorney General shall deny an application for state charter status to any

organization that does not meet all the requirements for state charter status in Section 15. Any organization whose state charter application has been denied may resubmit that application once all deficiencies have been corrected.

Section 35. Duration of state charter status. State charter status shall be valid for 3 years. A veteran service organization must reapply for state charter status at least 120 days prior to the expiration of its current state charter status.

Section 40. Revocation. If the Attorney General is made aware, either through notification as provided in Section 30 or through other information or evidence, that an organization that has been granted state charter status no longer meets one or more of the requirements of Section 15, the Attorney General may revoke the state charter status. Nothing in this Section is intended to take away or limit any powers of the Attorney General under common law or other statutory law, and the Attorney General may, in his or her sole discretion, request that a court revoke state charter status based on other conduct not specifically listed in this Section.

Section 45. Publication of state chartered veteran service organizations. The Attorney General shall maintain a publicly accessible list of state chartered veteran service

organizations.

Section 50. Violation; remedies. It is a violation of Section 9 of the Military Veterans Assistance Act for any person, group, or entity to assert state charter status where such status has not been granted in accordance with this Act or where such status has been revoked. In addition to any other remedies, a court may assess a civil penalty not to exceed \$5,000 for each violation of this Act.