

1 AN ACT concerning military service.

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

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

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

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

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

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

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

5 (2) Possess tax-exempt status from the Internal
6 Revenue Service either under Section 501(c)(3) or Section
7 501(c)(19) of the Internal Revenue Code and have the
8 primary charitable purpose of providing service or
9 assistance to veterans, their spouses, or their
10 dependents.

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

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

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

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

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

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

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

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

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

5 Section 35. Duration of state charter status. State
6 charter status shall be valid for 3 years. A veteran service
7 organization must reapply for state charter status at least
8 120 days prior to the expiration of its current state charter
9 status.

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

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

1 organizations.

2 Section 50. Violation; remedies. It is a violation of
3 Section 9 of the Military Veterans Assistance Act for any
4 person, group, or entity to assert state charter status where
5 such status has not been granted in accordance with this Act or
6 where such status has been revoked. In addition to any other
7 remedies, a court may assess a civil penalty not to exceed
8 \$5,000 for each violation of this Act.