

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 109

STATUS: A Engrossed

SUBJECT: Permits the Attorney General to set fees due from charitable organizations and to charge delinquency fees and impose civil penalties on charitable organizations.

GOVERNMENT UNIT AFFECTED: Department of Justice

PREPARED BY: Tim Walker

REVIEWED BY: Doug Wilson

DATE: March 29, 2007

	<u>2007-2009</u>	<u>2009-2011</u>
EXPENDITURES: See Comments		

REVENUES:
See Comments

EFFECTIVE DATE: On passage.

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This bill allows the Department of Justice (DOJ) to set the fees paid by charitable organizations through administrative rule. The filing fee will be comprised of two elements; 1) a filing fee between \$10 and \$400 based on the level of receipts and income of the charitable organization for the period covered, and 2) a fee based on the charitable organization's fund balance at the end of the organization's fiscal year at the rate of 2/10th of a percent of the fund balance or \$2,000, whichever is less. The fees collected by DOJ should be enough to support the activities of administering Oregon's Charitable Trust and Corporation Act and the Charitable Solicitations Act and the fees may only be used to administer these Acts. This bill also allows DOJ to set a delinquency fee for the failure to timely file reports. This fee can be on a sliding scale based on the length of time the report is late. The current fee for filing a late report is \$20 no matter how late the report is delivered. DOJ anticipated raising the fee to \$50 for all reports that are over 90 days late and \$100 for reports over 120 days late. DOJ estimates 1,000 delinquent filers in the 90 – 120 day category that would generate \$30,000 per year. DOJ has also estimated that the filers over 120 days to be minimal. This bill does not require activities that are not currently undertaken by DOJ and allows for a change in the fee structure. DOJ does not anticipate any additional expenditure associated with this bill.