

HOUSE BILL REPORT

HB 1530

*As Reported By House Committee on:
State Government*

Title: An act relating to the veterans' programs or charities.

Brief Description: Regulating fund raising for veterans' charities or programs.

Sponsor(s): Representatives Day, Prince, Jones, Mitchell, Franklin, Lisk, Mielke, Ferguson, Nealey, Cantwell, Bray, Ludwig, Scott, Wynne, Betrozoff, Paris, Winsley and Brough.

Brief History:

Reported by House Committee on:
State Government, March 6, 1991, DPS.

**HOUSE COMMITTEE ON
STATE GOVERNMENT**

Majority Report: *That Substitute House Bill No. 1530 be substituted therefor, and the substitute bill do pass.*
Signed by 6 members: Representatives Anderson, Chair; Pruitt, Vice Chair; R. Fisher; Grant; O'Brien; and Sheldon.

Minority Report: *Do not pass.* Signed by 4 members: Representatives McLean, Ranking Minority Member; Bowman, Assistant Ranking Minority Member; Chandler; and Moyer.

Staff: Linda May (786-7135).

Background: The purpose of the state's laws governing charitable solicitations is two-fold: 1) to prevent deceptive and dishonest practices in the conduct of soliciting funds for or in the name of charity; and 2) to prevent improper use of contributions intended for charitable purposes. All charitable organizations, independent fund raisers, and nonprofit fund raisers must register publicly with the secretary of state. Violations of provisions governing charitable solicitations may be turned over to the attorney general or to county prosecuting attorneys. Charitable solicitations made for veterans are included under existing provisions.

One of the duties of the director of the Department of Veterans Affairs (VA) is to extend assistance on behalf of

the state to veterans and their dependents. VA offers a number of veteran programs and services.

Summary of Substitute Bill: The Department of Veterans Affairs is authorized to examine fund-raising activities where charitable solicitations are made for veterans' programs. The department may issue orders prohibiting any person or organization from engaging in any such activities which the department finds to be misleading or deceptive. This authority vested in the department is in addition to, rather than in place of or impairing, the authority of the secretary of state or the attorney general as defined by existing statute.

Within the Department of Veterans Affairs, there is created the Office of Middle East Veterans Affairs. There is also created a Middle East Veterans Affairs Advisory Council. The coordinator of the new office is to prepare a preliminary action plan for the office, taking into account the current needs for aid and assistance by Middle East conflict veterans and their families.

Substitute Bill Compared to Original Bill: The original bill dealt with the Department of Veterans Affairs' authorization to examine fund-raising activities. The substitute bill retains that authorization, adds to the department a new Office of Middle East Veterans Affairs, and directs the coordinator of the new office to prepare an action plan. The substitute also creates a Middle East Veterans Affairs Advisory Council.

Fiscal Note: Requested March 6, 1991 on substitute bill.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: (original bill): There are bogus operations in Washington posing as veterans organizations. These operations raise thousands of dollars, and none of the money is spent to help veterans. Some of the same problem organizations are coming out again with the war in the Persian Gulf. This activity is likely to increase with the Persian Gulf victory.

Testimony Against: (original bill): The bill does not give VA adequate enforcement power. VA currently does not have the funding, staff, or expertise to take on this role.

Witnesses: (on original bill): James Dungan, Rich Henson and Oral Rutherford, Disabled American Veterans (all in favor); Beau Bergeron, Department of Veterans Affairs (opposed).