

SENATE BILL REPORT

SB 5068

As Passed Senate, March 5, 1997

Title: An act relating to charitable trusts.

Brief Description: Regulating registration of charitable trusts.

Sponsors: Senators Roach, Haugen, Johnson and Winsley; by request of Secretary of State.

Brief History:

Committee Activity: Law & Justice: 1/16/97, 1/20/97 [DP].

Passed Senate 3/5/97, 47-0.

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: Do pass.

Signed by Senators Roach, Chair; Johnson, Vice Chair; Fairley, Goings, Haugen, Jacobsen, Long, McCaslin, Stevens and Zarelli.

Staff: Harry Steinmetz (786-7421)

Background: Under current law any individual who is holding assets or property in the state for charitable purposes must register within two months of receiving possession or control of the trust. Every trustee also must file an annual report.

Summary of Bill: Charitable trustees must register with the Secretary of State if (a) the trust holds assets for income producing purposes exceeding a threshold value to be established by the Secretary by rule; (b) all or part of the principal or income of the trust can or must currently be expended for charitable purposes; and, (c) the trust is not required to distribute its assets within one year. The Secretary of State must withhold from public inspection any trust which is established for several or mixed purposes, any one of which is not charitable.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill will reduce the unnecessary filing burden that many organizations must comply with now due to lack of clarity in existing law.

Testimony Against: None.

Testified: Ralph Munro, Secretary of State.