

HOUSE BILL 452

C2

9lr0857
CF SB 806

By: **Delegates Haddaway, Eckardt, Aumann, Bartlett, Beitzel, Boteler, Burns, Dwyer, Elliott, Elmore, Frank, Harrison, Hecht, Jameson, Jennings, King, Kirk, Krebs, Krysiak, Lafferty, Manno, McComas, McConkey, McHale, Murphy, Myers, Norman, O'Donnell, Riley, Serafini, Shank, Shewell, Smigiel, Sossi, Stocksdales, Stull, Taylor, Vaughn, Walkup, and Wood**

Introduced and read first time: February 4, 2009

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 25, 2009

CHAPTER _____

1 AN ACT concerning

2 **Business Regulation – Charitable Organizations – Audits and Reviews**

3 FOR the purpose of increasing the minimum gross income amount by which the
4 registration statement of a charitable organization must include a certain audit;
5 altering the range of gross income amounts by which the registration statement
6 of a charitable organization must include a certain review; altering the range of
7 gross income amounts by which the Secretary of State may require a certain
8 audit or review of a charitable organization; and generally relating to the
9 auditing and review requirements of charitable organizations.

10 BY repealing and reenacting, without amendments,
11 Article – Business Regulation
12 Section 6–402(a) and (c)
13 Annotated Code of Maryland
14 (2004 Replacement Volume and 2008 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Business Regulation
17 Section 6–402(b)(8) and (d)
18 Annotated Code of Maryland
19 (2004 Replacement Volume and 2008 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Business Regulation**

4 6–402.

5 (a) A registration statement shall be on the form that the Secretary of State
6 provides.

7 (b) Except as provided in subsection (c) of this section, the registration
8 statement shall contain or be accompanied by:

9 (8) (i) an audit by an independent certified public accountant if the
10 gross income from charitable contributions in the most recently completed fiscal year
11 is at least [~~\$200,000~~] **\$500,000**; or

12 (ii) a review by an independent certified public accountant if the
13 gross income from charitable contributions in the most recently completed fiscal year
14 is at least [~~\$100,000~~] **\$200,000** but less than [~~\$200,000~~] **\$500,000**;

15 (c) The Secretary of State may accept other documentation in place of any
16 item required under subsection (b) of this section.

17 (d) The Secretary of State may require an audit or review if the amount of
18 gross income is less than [~~\$200,000~~] **\$500,000**.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 June 1, 2009.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.