

Nonprofit Bill Tracker

Updated March 5, 2015

1. [S.B.132](#) **Fiscal Requirements for Local Governments & Nonprofits** [Regulation & Financial Reporting]

Issue Description: Revises [H.B.283](#) passed last year, no longer allows the state to look into the personal accounts of a nonprofit's board of directors, removes nonprofit bylaw requirements, delineates new auditing requirements that align with OMB Super Circular guidelines and creates a floor requiring only nonprofits that receive at least \$25,000 in govt funding to report to the State auditor's office. **Sponsor:** Senator Curtis Bramble (District 16) **Floor Sponsor:** Rep. Sophia M. DiCaro

Status: Passed the Senate and House, returned to the Senate for Final Approval

Additional Information: Utah Nonprofits Association worked extensively with Senator Bramble and The State Association of CPAs to repeal [H.B.283](#), which was passed in 2014. This bill will require more nonprofits to report their financial information to the State Auditor's office because it requires the Auditor's office to monitor expenditures of local, state and federal government funds. UNA plans to meet with individual legislators during the interim session to increase their understanding of the reporting and transparency requirements for nonprofits, in order to lessen the burden on Utah nonprofits in the future.

2. [H.B.185](#) **Charitable Solicitation Act Amendments**

Issue Description: Creates new regulations for professional fundraisers, eliminates quarterly reporting requirement to the Consumer Protection division except for organizations who have not previously filed a 990 and requires nonprofits to maintain records adequate to provide all donors with receipts. **Sponsor:** Rep. Bruce R. Cutler (District 44) **Floor Sponsor:** Sen. Curtis Bramble

Status: Passed

Additional Information: Utah Nonprofits Association worked with Bruce Olson of Ray, Quinney and Nebaker and the Utah Division of Consumer Protection to update the Charitable Solicitation Act. This bill creates new regulations for professional fundraisers, eliminates the quarterly reporting requirements to the Consumer Protection division for most organizations except those who have not previously filed a 990. This bill also requires nonprofits to maintain adequate records in order to provide all donors with receipts. UNA is also hoping that the fees bill will result in a reduction of fees for the Charitable Solicitation permit by the end of the session as well.

3. [H.B.241](#) **Nonprofit Limited Service Alcohol Retailer Permits**

Issue Description: Creates a Nonprofit Limited Service Retailer permit that would allow nonprofits to potentially sell beer, heavy beer and wine at special events. This bill establishes

licensing and operational requirements for this type of permit. Cost is initially \$825, with a \$330 nonrefundable application fee. **Sponsor:** Rep. Kraig Powell (District 54)

Status: Pending, received Fiscal Note in House Rules Committee

Additional Information: UNA was not consulted on this bill nor have we had any interest from our members so we are tracking it but have not provided input.

4. **H.B.312 Reporting and Expenditure of Public Funds Amendments** (Requirements for Nonprofits receiving funding through direct appropriations)

Issue Description: Tightens the reporting requirements for agencies receiving state money through direct appropriations. “A state agency may not provide a recipient entity state money through a grant unless the state agency enters into a written agreement with the recipient entity; and the written agreement requires the recipient entity to provide the state agency: a written description and an itemized report at least annually detailing the expenditure of the state money, or the intended expenditure of any state money that has not been spent; and a final written itemized report when all the state money is spent. Then requires a state agency to provide a copy of this report to the Governor's Office of Management and Budget annually unless the grant is issued: (a) under a competitive award process, (b) in accordance with a formula enacted in statute; or (c) in accordance with a state program under parameters in statute or rule that guides the distribution of the grant.” **Sponsor:** Rep. Sophia M. DiCaro (District 31)

Status: Pending, passed the House and now in the Senate

Additional Information: Representative DiCaro contacted UNA and we gave input in the drafting stage. We also reached out to some of our members who we know this bill would impact. Our members said they would like the opportunity to provide an update regarding how the funds were utilized instead of being limited to reporting expenditures of funding only. Taking these comments into account, UNA supports this bill.

5. **S.B.218 Nonprofit Corporation Act Amendments**

Issue Description: Cleans up language and definitions. Addresses and clarifies the process of how nonprofit boards can communicate electronically to move business forward and conduct a vote via email (defined as “electronic transmission”).

Sponsor: Senator Lyle Hillyard

Status: Pending, on Senate 2nd Reading Calendar

Additional Information: UNA worked with United Way of Salt Lake and Bruce Olson of Ray, Quinney and Nebaker to ensure this issue was addressed during this legislative session. UNA believes it is important for nonprofit boards to be able to use email to conduct business between scheduled meetings.