



Rep. Stephanie A. Kifowit

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10300HB0925ham001

LRB103 04531 KTG 57390 a

1 AMENDMENT TO HOUSE BILL 925

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 925 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the  
5 Veteran Service Organizations State Charter Act.

6 Section 5. State charter. A veteran service organization  
7 shall be considered state chartered when the organization  
8 meets all of the requirements listed in this Act and the  
9 organization's application for state charter status has been  
10 approved by the Attorney General.

11 Section 15. Granting of state charter status. The Attorney  
12 General shall grant state charter status to any organization  
13 that has demonstrated that all requirements for obtaining  
14 state charter status have been met.

1           Section 20. State charter requirements. To qualify for  
2 state charter status, a veteran service organization must:

3           (1) Obtain a legislative endorsement for state charter  
4 status from any currently serving member of the General  
5 Assembly. Endorsements shall remain valid until there is a  
6 revocation of the endorsement or a revocation of the state  
7 charter.

8           (2) Possess tax-exempt status from the Internal  
9 Revenue Service either under Section 501(c)(3) or Section  
10 501(c)(19) of the Internal Revenue Code and have the  
11 primary charitable purpose of providing service or  
12 assistance to veterans, their spouses, or their  
13 dependents.

14           (3) Possess a current certificate of good standing as  
15 an Illinois registered not-for-profit organization from  
16 the Secretary of State.

17           (4) Obtain and maintain ongoing registration and  
18 compliance under the Charitable Trust Act with the  
19 Charitable Trust Bureau of the Attorney General's Office  
20 or substantiation for an exemption.

21           (5) For organizations with veteran service officers,  
22 demonstrate that each veteran service officer possesses a  
23 valid U.S. Department of Veterans Affairs accreditation or  
24 that such accreditation is pending.

25           (6) Demonstrate completion of Open Meetings Act  
26 training in accordance with Section 1.05 of that Act by

1 providing copies of certificates of completion to the  
2 Public Access Counselor of the Office of the Attorney  
3 General.

4 Section 25. Application for state charter status. A  
5 veteran service organization may submit an application for  
6 state charter status to the Attorney General. All supporting  
7 documentation demonstrating that each of the requirements  
8 listed in this Act have been met shall be provided with the  
9 application.

10 Section 30. Attestation of compliance. Any application for  
11 state charter shall include the following statement, on  
12 organizational letterhead and signed by all officers: "All  
13 officers for (insert lawful organizational name) do hereby  
14 attest that all requirements for a state charter have been  
15 met, that there are no past or ongoing enforcement actions or  
16 lawsuits against the organization or any of its officers for  
17 violations or suspected violations of the Consumer Fraud and  
18 Deceptive Business Practices Act, the Military Veterans  
19 Assistance Act, or the Open Meetings Act and that we will  
20 notify the Attorney General within 30 days if, at any point,  
21 the organization no longer meets one or more of the  
22 requirements for state charter status."

23 Section 35. Issuance of state charter status. The Attorney

1 General shall issue a letter granting state charter status  
2 upon review of any completed application that demonstrates  
3 that all requirements for state charter status have been met.

4 Section 40. Denial of state charter. The Attorney General  
5 shall deny an application for state charter status to any  
6 organization that does not meet all requirements for state  
7 charter status in Section 20. Any organization whose state  
8 charter application has been denied may resubmit that  
9 application once all deficiencies have been corrected.

10 Section 45. Duration of state charter status. State  
11 charter status shall be valid for 5 years. A veteran service  
12 organization must reapply for state charter status prior to  
13 the expiration of its current state charter status.

14 Section 50. Revocation. If the Attorney General is made  
15 aware, either through notification as provided in Section 30  
16 or through other information or evidence, that an organization  
17 that has been granted state charter status no longer meets one  
18 or more of the requirements of Section 20, the Attorney  
19 General may revoke the state charter status. Nothing in this  
20 Section is intended to take away or limit any powers of the  
21 Attorney General under common law or other statutory law, and  
22 the Attorney General may, in his or her sole discretion,  
23 request that a court revoke state charter status based on

1 other conduct not specifically listed in this Section.

2 Section 55. Publication of state chartered veteran service  
3 organizations. The Attorney General shall maintain a publicly  
4 accessible list of state chartered organizations.

5 Section 60. Violation. It is a violation of Section 9 of  
6 the Military Veterans Assistance Act for any person, group, or  
7 entity to assert state charter status where such status has  
8 not been granted in accordance with this Act or where such  
9 status has been revoked.

10 Section 65. Enforcement. If the Attorney General has  
11 reasonable cause to believe that there is or has been a  
12 violation of Section 60, then the Attorney General may enforce  
13 this Act in accordance with Section 9.1 of the Military  
14 Veterans Assistance Act.

15 Section 70. Remedies. A court in its discretion may grant  
16 remedies in accordance with Section 9.2 of the Military  
17 Veterans Assistance Act.

18 Section 75. The Military Veterans Assistance Act is  
19 amended by changing Sections 9.1 and 9.2 as follows:

20 (330 ILCS 45/9.1)

1           Sec. 9.1. Violations.

2           (a) If the Attorney General has reasonable cause to  
3 believe that there is or has been a violation of Section 8 or 9  
4 or subsection (a), (b), or (c) of Section 10 of this Act or  
5 Section 60 of the Service Organizations State Charter Act,  
6 then the Attorney General may commence a civil action in the  
7 name of the People of the State to enforce the provisions of  
8 this Act in any appropriate circuit court. The court, in its  
9 discretion, may exercise all powers necessary, including, but  
10 not limited to: injunction; mandamus; revocation; forfeiture  
11 or suspension of any funding, rights, privileges,  
12 responsibilities, or support, as deemed necessary to ensure  
13 compliance; and any other action the court may deem  
14 appropriate.

15           (b) Prior to initiating a civil action, the Attorney  
16 General shall conduct a preliminary investigation to determine  
17 whether there is reasonable cause to believe that a violation  
18 is being or has been committed and whether the dispute can be  
19 resolved without litigation. In conducting this investigation,  
20 the Attorney General may:

21           (1) require the individual, group, or entity to file a  
22 statement or report in writing under oath or otherwise, as  
23 to all information the Attorney General may consider  
24 necessary;

25           (2) examine under oath any person alleged to have  
26 participated in or with knowledge of the alleged

1 violation;

2 (3) issue subpoenas or conduct hearings in aid of any  
3 investigation; or

4 (4) examine any record, book, document, account, or  
5 paper as the Attorney General may consider necessary.

6 (c) Service by the Attorney General of any notice  
7 requiring a person to file a statement or report, or of a  
8 subpoena upon any person, shall be made:

9 (1) personally by delivery of a duly executed copy  
10 thereof to the person to be served or, if a person is not a  
11 natural person, in the manner provided by the Code of  
12 Civil Procedure when a complaint is filed; or

13 (2) by mailing by certified mail a duly executed copy  
14 thereof to the person to be served at the person's last  
15 known abode or principal place of business within this  
16 State.

17 (d) Whenever any person fails to comply with any subpoena  
18 issued under this Section or whenever satisfactory copying or  
19 reproduction of any material requested in an investigation  
20 cannot be done and the person refuses to surrender the  
21 material, the Attorney General may file in any appropriate  
22 circuit court, and serve upon the person, a petition for a  
23 court order for the enforcement of the subpoena or other  
24 request.

25 Any person who has received a subpoena issued under  
26 subsection (b) may file in the appropriate circuit court, and

1 serve upon the Attorney General, a petition for a court order  
2 to modify or set aside the subpoena or other request. The  
3 petition must be filed either: (1) within 20 days after the  
4 date of service of the subpoena or at any time before the  
5 return date specified in the subpoena, whichever date is  
6 earlier, or (2) within a longer period as may be prescribed in  
7 writing by the Attorney General.

8 The petition shall specify each ground upon which the  
9 petitioner relies in seeking relief under this subsection and  
10 may be based upon any failure of the subpoena to comply with  
11 the provisions of this Section or upon any constitutional or  
12 other legal right or privilege of the petitioner. During the  
13 pendency of the petition in the court, the court may stay, as  
14 it deems proper, the running of the time allowed for  
15 compliance with the subpoena or other request, in whole or in  
16 part, except that the petitioner shall comply with any portion  
17 of the subpoena or other request not sought to be modified or  
18 set aside.

19 (e) In the administration of this Act, the Attorney  
20 General may accept an Assurance of Voluntary Compliance with  
21 respect to any violation of the Act from any person or entity  
22 who has engaged in, is engaging in, or was about to engage in  
23 such violation. Evidence of a violation of an Assurance of  
24 Voluntary Compliance shall be prima facie evidence of a  
25 violation of this Act in any subsequent proceeding brought by  
26 the Attorney General against the alleged violator.



1 (Source: P.A. 102-1132, eff. 2-10-23.)

2 (330 ILCS 45/9.2)

3 Sec. 9.2. Remedies.

4 (a) Whenever the Attorney General has reason to believe  
5 that any person, group, or entity is violating, has violated,  
6 or is about to violate Section 8 or 9 or subsection (a), (b),  
7 or (c) of Section 10 of this Act or any provision of the  
8 Service Organizations State Charter Act, the Attorney General  
9 may bring an action in the name of the People of the State  
10 against the person, group, or entity to restrain by  
11 preliminary or permanent injunction the use of any practice  
12 that violates Section 8 or 9 or subsection (a), (b), or (c) of  
13 Section 10 of this Act or any provision of the Service  
14 Organizations State Charter Act. In such an action, the court  
15 may award restitution to recoup the loss of moneys set aside to  
16 provide services to veterans or any other relief that the  
17 court deems proper.

18 (b) In addition, the court may assess a civil penalty not  
19 to exceed \$5,000 for each violation of Section 8 or 9 or  
20 subsection (a), (b), or (c) of Section 10 of this Act or for  
21 each violation of the Service Organizations State Charter Act.

22 (c) In any action brought under the provisions of Section  
23 8 or 9 or subsection (a), (b), or (c) of Section 10 of this Act  
24 or under the Service Organizations State Charter Act, the  
25 Attorney General is entitled to recover costs.

1           (d) If a court orders a party to make payments to the  
2 Attorney General and the payments are to be used for the  
3 operations of the Office of the Attorney General or a party  
4 agrees, in an out-of-court settlement, to make payment to the  
5 Attorney General for the operations of the Office of the  
6 Attorney General, then moneys shall be deposited into the  
7 Attorney General Court Ordered and Voluntary Compliance  
8 Payment Projects Fund. Moneys in the Fund shall be used,  
9 subject to appropriation, for the performance of any function  
10 pertaining to the exercise of the duties of the Attorney  
11 General, including, but not limited to, enforcement of any law  
12 of this State and conducting public education programs.  
13 However, any moneys in the Fund that are required by the court  
14 or by an agreement to be used for a particular purpose shall be  
15 used for that purpose.

16       (Source: P.A. 102-1132, eff. 2-10-23.)".