



**Colorado**  
**NONPROFIT**  
Association

**Vote Yes on HB 16-1318 to Strengthen the Colorado Charitable Solicitations Act**  
*Sponsored by Rep. Cole Wist (R-Centennial) and Senator Linda Newell (D-Littleton)*

**Background**

The Colorado Charitable Solicitations Act (CCSA) requires individuals and entities that solicit funds for charitable purposes to register with the Secretary of State and renew this registration annually. The Secretary enforces compliance with CCSA by assessing fines on charitable organizations that fail to properly register or renew their registration after receiving at least two notices.

**Reasons for Support**

HB 16-1318 makes several changes in 2017 to ensure compliance with CCSA by clarifying the registration process. Key changes for charitable nonprofit organizations include the following:

- ***Allowing the Secretary to issue a cease-and-desist order for soliciting while unregistered.*** Unless exempted by CCSA, charities already must register prior to soliciting donations and may be fined for non-compliance. This order is an additional tool to ensure compliance. The Secretary may only issue this order after a charity has been notified of its status and an administrative hearing is held. These administrative hearings are subject to judicial review.
- ***If a charity's registration expires or is withdrawn, it must file a final financial report.*** A charity may withdraw its registration or allow it to expire if it is going out of business, merging with another entity, or has otherwise stopped soliciting donations. This change ensures the charity has reported up until the day it ceases its fundraising activities. 1318 authorizes the Secretary to promulgate rules for withdrawal of a registration.
- ***A charity must report changes materially affecting its business identity within thirty days.*** This includes changes of name, principals, address, corporate forms, or tax status. Because these changes presently affect how a charity raises funds and communicates with the Secretary of State's office, it makes sense that they should be reported sooner than the renewal deadline.
- ***Affirmations on the registration form are made under penalty of perjury rather than under oath.*** Typically, written affirmations are made under penalty of perjury and verbal affirmations are made under oath. This makes CCSA's language consistent with other states.

By increasing compliance with CCSA, charities will be more transparent, which helps members of the public feel more confident when they give to causes they support.

For more information, contact:

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