

1 ENGROSSED SENATE  
2 BILL NO. 708

By: Daniels of the Senate

3 and

4 Boatman and Phillips of the  
5 House

6  
7 An Act relating to charitable organizations; defining  
8 term; providing exceptions; requiring notice from  
9 charitable organization to Attorney General prior to  
10 certain actions; requiring Attorney General to  
11 consider certain factors when reviewing notice;  
12 authorizing Attorney General to bring action to  
13 enjoin transfer of assets upon certain determination;  
14 requiring certain action to be brought within  
15 specified time period; authorizing charitable  
16 organization to proceed with certain asset transfer  
17 after specified time period; providing for  
18 codification; and providing an effective date.

19 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

20 SECTION 1. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 869 of Title 18, unless there is  
22 created a duplication in numbering, reads as follows:

23 A. For purposes of this section, "charitable organization"  
24 shall have the meaning as defined in paragraph 2 of Section 552.2 of  
Title 18 of the Oklahoma Statutes and shall be an organization that  
is incorporated or organized in this state, has its principal place  
of business in this state, or has assets located in this state with  
a fair market value that exceeds Fifty Thousand Dollars

1 (\$50,000.00). Charitable organization shall not include a church,  
2 hospital, religious corporation or society or affiliate thereof.

3 B. A charitable organization shall give written notice to the  
4 Attorney General at least sixty (60) days prior to any charter  
5 revocation, dissolution or other action, voluntary or involuntary,  
6 that would result in the transfer of any assets or any interest in  
7 or on such assets of the charitable organization with a fair market  
8 value that exceeds Fifty Thousand Dollars (\$50,000.00) to any other  
9 person or entity including any parent, subsidiary, or affiliate  
10 organization of the charitable organization.

11 C. When reviewing a written notice received from a charitable  
12 organization pursuant to subsection B of this section, the Attorney  
13 General shall consider among other relevant factors as determined by  
14 the Attorney General:

15 1. The amount and value of the assets or interests to be  
16 transferred;

17 2. The person or entity to which such transfer would be made;

18 3. The purpose of the transfer;

19 4. The source of the assets including whether the assets  
20 consist of donated funds or property;

21 5. The intent of donors, to the extent such intent can be  
22 determined;

23 6. The purpose and activities of the charitable organization;

24 and

1           7. Any expression of support or lack of support by the  
2 governing board and members of the charitable organization.

3           D. If the Attorney General determines that a transfer of assets  
4 or interests of a charitable organization is inconsistent with the  
5 public interest, the intent of donors, or the purpose for which the  
6 charitable organization was organized or operated, the Attorney  
7 General may bring an action to enjoin the transfer of assets or  
8 interests or seek other relief as may be necessary to protect the  
9 assets of the charitable organization. Any such action shall be  
10 brought within sixty (60) days after receipt of notice of the  
11 transfer of assets or interest as required by subsection B of this  
12 section. If the Attorney General takes no action to enjoin the  
13 transfer of assets or interest within sixty (60) days of receipt of  
14 the notice, the charitable organization may proceed with the  
15 transfer of assets or interests as set forth in the notice as  
16 required by subsection B of this section.

17           SECTION 2. This act shall become effective November 1, 2022.

