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## California Legislature Introduces Bills Addressing Donor-Advised Funds, Community Foundations, and Crowdfunding

Last Friday, before the legislative deadline, the California State Assembly introduced three bills related to nonprofit organizations and charitable giving:

1. [Donor-Advised Funds](#). AB 1712, introduced by Assembly member Buffy Wicks, is a spot bill (a placeholder that will be replaced with more substantive provisions at a later date) addressing donor-advised funds. This bill describes the intent of the legislature, “to enact legislation that would relate to donor-advised funds for the purpose of improving transparency and accountability through annual reporting requirements, promoting best practices, and requiring minimum annual distributions.”

CalNonprofits recently conducted a survey regarding the regulation of donor-advised funds and we understand is largely responsible for this bill. The survey can be found [here](#).

2. [Community Foundations](#). AB 1338, introduced by Assembly member Jacqui Irwin, is a spot bill that states the intent of the legislature to enact legislation that would require community foundation board members and officer to obtain financial fiduciary training.
3. [Crowdfunding Solicitation](#). AB 1539, also introduced by Assembly member Irwin, is a substantive bill that addresses how one charity may raise funds for other charities. It would require charities to obtain the written consent of another charity before using its name in an internet solicitation, unless certain requirements are met. The bill also would require the soliciting charity to file an annual report with the Attorney General’s Registry of Charitable Trusts. This bill is an attempt to regulate the growing practice of “crowdfunding” where large numbers of individuals can donate to a variety of charities through an online platform.

If you want to read the bills, you can find them here:

[AB 1712](#)

[AB 1338](#)

[AB 1539](#)

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### ABOUT OUR BLOG

Nonprofit Law Matters looks at legal issues in the nonprofit and tax-exempt organizations world. Written by the attorneys and paralegals of Adler & Colvin, it provides updates and analysis regarding philanthropy, charity, and other exempt organization issues.

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