

Nonprofit Strategies



SAN LUIS OBISPO COUNTY COMMUNITY FOUNDATION

Legislation could affect nonprofit groups

By Barry VanderKelen

There are a number of bills affecting nonprofit groups pending in the Legislature.

It is impossible to list all of them, so I have picked a few to highlight. I am grateful to the California Association of Nonprofits (www.canonprofits.org) for its assistance.

• **Emergency/Disaster Response:** Assembly Bill 2796 would provide limited liability immunity for nonprofit emergency and disaster responders similar to the immunity already granted to governmental responders.

• **Wine donations:** Of particular interest for nonprofit groups and wineries in San Luis Obispo County is Assembly Bill 1964, which would ease rules for wine donations and increase the number of times per year that nonprofit groups could hold wine fundraising events. Currently, nonprofit groups can not take possession of wine for sale or auction without a temporary license from Alcoholic Beverage Control. Wineries that donate product are subject to ABC penalties if the non-

profit group has not complied with state law. The bill seeks to ease fundraising through the sale or auction of wine for both nonprofit groups and wineries.

• **Bingo:** As a fundraising event, it doesn't cost much to conduct a bingo game. Lately, though, revenue from bingo games has been declining. Three bills are pending that would enhance the appeal of bingo (Assembly Bill 1924; Senate Bills 1328 and 1626).

• **Fund Management and Dissolution of a Nonprofit Group:** California nonprofit groups that have endowments are currently obligated to protect the original value of an endowment gift, which means that an endowed fund may sit idle if its value has plummeted. Senate Bill 1329 frees up the charity to spend from the fund what it deems prudent after considering the donor's intent that the endowment fund continue permanently, the purposes of the fund, and relevant economic factors. The bill also makes it easier for the state attorney general to dissolve a nonprofit group when it is impossible or impractical for the nonprofit to do it on its own.

• **Paid sick leave:** Assembly Bill 2716 would require employers to provide paid sick leave to an employee who works seven or more days in a year and prescribes employer and employee rights and responsibilities in regard to sick leave.

• **Retirement:** CalPERS, the California Public Employees' Retirement System, is the largest pension fund in the country. Assembly Bill 2940 creates a way for for-profit and nonprofit group employees to participate in CalPERS.

Tracking legislation can be a full-time job, a staff position many nonprofit groups cannot afford. Fortunately, many professional associations make their members aware of pertinent bills. The California Legislature's Web site (www.legislature.ca.gov) has a "bill search" feature that allows one to track any pending legislation. It is helpful to remember that nonprofit groups can advocate for particular bills within limits; specific guidelines can be obtained from the Independent Sector, www.independentsector.org , the Alliance for Justice, www.afj.org , and the Center for Lobbying in the Public Interest, www.clpi.org .

Resource Use

- Support nonprofit leadership
- Board development/training
- Strategic planning

Nonprofit Business Column of The Tribune

The San Luis Obispo Tribune publishes a column every other week in the Business section dedicated to the business practices of nonprofit orgs. Barry VanderKelen, Executive Director of the San Luis Obispo County Community Foundation writes the bi-

weekly column to help strengthen nonprofit organizations in the community. Each column is reprinted here as a one-page handout for use by local organizations. Barry can be reached at 543-2323 or by e-mail at barry@slocf.org.