

2004 SESSION

INTRODUCED

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HOUSE BILL NO. 625

Offered January 14, 2004

Prefiled January 13, 2004

A BILL to amend and reenact §§ 2.2-507.1 and 17.1-513.01 of the Code of Virginia, relating to charitable assets; standard of conduct for directors of charitable corporations.

Patron—O'Bannon

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-507.1 and 17.1-513.01 of the Code of Virginia are amended and reenacted as follows:

§ 2.2-507.1. Authority of Attorney General regarding charitable assets.

A. The assets of a charitable corporation incorporated in or doing any business in Virginia shall be deemed to be held in trust for the public for such purposes as are ~~established by the donor's intent~~ as expressed in *the governing documents of such charitable corporation* or by other applicable law. The Attorney General shall have the same authority to act on behalf of the public with respect to such assets as he has with respect to assets held by unincorporated charitable trusts and other charitable entities, including the authority to seek such judicial relief as may be necessary to protect the public interest in such assets.

B. *Nothing contained in this section is intended to modify the standard of conduct applicable under existing corporate law to the directors of charitable corporations incorporated in or doing any business in Virginia.*

§ 17.1-513.01. Jurisdiction of circuit courts with respect to charitable assets.

A. The circuit courts shall have the same subject matter jurisdiction over matters pertaining to assets of charitable corporations, incorporated in or doing any business in Virginia, as the circuit courts have with respect to assets held by unincorporated charitable trusts and other charitable entities, including the power to require accountings, appoint receivers, award damages, and enter injunctive relief against such charitable corporations, their officers, directors, agents, employees and others as may be necessary to protect the public interest in such assets.

B. *Nothing contained in this section is intended to modify the standard of conduct applicable under existing corporate law to the directors of charitable corporations incorporated in or doing any business in Virginia.*

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