

# Religious cult fraud bill killed in state Senate

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CARSON CITY — The Senate killed the last remnant of a bill aimed at curbing fraud by cults Thursday, but Sen. Bill Hernstadt took some parting shots at two of the so-called new religions, comparing Rev. Sun Yung Moon to Al Capone and criticizing the Church of Scientology.

Hernstadt introduced and strongly backed the "cult bills," in response to his daughter's bad experience last year with the Church of Scientology.

Hernstadt, D-Las Vegas, introduced SB108, the bill to give dissident cult members a means to get their money back and sue such organizations for damages.

A successor to that bill, SB343, was designed to address organizations in general. Although it passed the Senate, the Assembly Judiciary Committee killed it.

Thursday's 8-13 Senate vote killed an attempt by the Senate Judiciary Committee to attach a piece of SB343 to AB124,

an otherwise unrelated bill to provide for prosecution of participants in organized crime. The bill has been strongly backed by Metro Police.

The committee's rider was a modified section of SB343 that would let the state seize the assets of an organization that collected money with intent to defraud, and distribute the money to the causes for which it was collected.

As Hernstadt told the Senate, if an organization collected donations to feed starving children and used the money instead to buy guns, the state could move in to ensure the money be spent to feed starving children.

Sen. Jim Bilbray, D-Las Vegas, opposed the amendment. He said it could be applied to the Catholic Church if money collected for a specific purpose were transferred to another pressing charitable need. He added that AB124 would probably die if burdened with the amendment.

Sen. Jim Gibson, D-Henderson, opposed it on the grounds of "possible

mischief" that could arise from it.

Sen. Bill Raggio, R-Reno, called AB124 a "good bill" that shouldn't be "held hostage" because the Senate Judiciary Committee was upset that the Assembly Judiciary Committee killed SB343.

Judiciary Chairman Thomas "Spike" Wilson, D-Reno, defended the amendment, saying it strikes at "intent to defraud" by groups that hide "under the cloak of religion."

He said his committee "was outraged" by testimony it heard in its "cult bill" hearings, by ex-cult members and persons who lost touch with their children who joined a cult.

Hernstadt said "legitimate organizations" need not fear the amendment. "Reverend Moon is a convicted criminal. He was convicted of tax evasion, the same as Al Capone."

After the Senate voted down the amendment, Hernstadt stood, asked that his remarks be put into the legislative record