

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 365 Session of
1989

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DOMBROWSKI, STEIGHNER, CESSAR, FARMER, GAMBLE AND ITKIN,
FEBRUARY 8, 1989

SENATOR RHOADES, STATE GOVERNMENT, IN SENATE, AS AMENDED,
MAY 1, 1990

AN ACT

1 ~~Amending the act of April 30, 1986 (P.L.107, No.36), entitled~~ <—
2 ~~"An act relating to charitable organizations; requiring the~~
3 ~~registration of such organizations; and regulating the~~
4 ~~solicitation of money and property by, or on behalf of,~~
5 ~~charitable organizations," further providing for soliciting~~
6 ~~for a named individual.~~

7 PROVIDING FOR THE REGISTRATION AND REGULATION OF SOLICITATIONS <—
8 BY CHARITABLE ORGANIZATIONS, PROFESSIONAL FUNDRAISERS AND
9 OTHER SOLICITORS; IMPOSING ADDITIONAL POWERS ON THE
10 DEPARTMENT OF STATE AND THE OFFICE OF ATTORNEY GENERAL;
11 PRESCRIBING CIVIL AND CRIMINAL PENALTIES; AND MAKING A
12 REPEAL.

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29 The General Assembly of the Commonwealth of Pennsylvania
30 hereby enacts as follows:

1 ~~Section 1. Section 12 of the act of April 30, 1986 (P.L.107, <—~~
2 ~~No.36), known as the Charitable Organization Reform Act, is~~
3 ~~amended to read:~~

4 ~~Section 12. Records to be kept by charitable organizations,~~
5 ~~professional fundraising counsel and professional~~
6 ~~solicitors.~~

7 ~~(a) General rule. Every charitable organization subject to~~
8 ~~the provisions of this act shall, in accordance with the rules~~
9 ~~and regulations prescribed by the department, keep true fiscal~~
10 ~~records as to its activities in Pennsylvania as may be covered~~
11 ~~by this act in such form as will enable it accurately to provide~~
12 ~~the information required by this act. Upon demand, such records~~
13 ~~shall be made available to the department, the bureau or the~~
14 ~~Attorney General for inspection. Such records shall be retained~~
15 ~~for a period of at least three years after the end of the period~~
16 ~~of registration to which they relate.~~

17 ~~(b) Soliciting for named individual.—~~

18 ~~(1) A person or charitable organization soliciting~~
19 ~~contributions for the benefit of a named individual who~~
20 ~~receives in excess of \$5,000 shall hold the funds collected~~
21 ~~in trust and shall be subject to the provisions of 20 Pa.C.S.~~
22 ~~Ch.71 (relating to trust estates). [A person who makes] The~~
23 ~~funds collected shall be invested according to the terms of~~
24 ~~the trust instrument with an individual or corporate~~
25 ~~fiduciary, subject to its agreement to accept the account.~~

26 ~~(2) A person or charitable organization soliciting~~
27 ~~contributions for the benefit of a named individual who~~
28 ~~receives in excess of \$10,000 shall petition the court of~~
29 ~~common pleas of the county in which the trust shall be~~
30 ~~established for approval by the court of the provisions of~~

~~the written trust instrument by which such trust shall be established, and for approval of the trustee thereof. The funds collected shall be invested according to the terms of the trust instrument with an individual or corporate fiduciary, subject to its agreement to accept the account.~~

~~(3) If there is a contribution to a person or charitable organization in response to a solicitation for the benefit of a named individual, the department shall have the right to petition the court of common pleas of the county in which the trust is located for an accounting on behalf of all contributors. For purposes of this subsection, the trust shall be established in the county where the principal place of business of the charitable organization is located. If a charitable organization has its principal place of business outside this Commonwealth, all of the following apply:~~

~~(i) If a chapter, branch, area, office or similar affiliate is soliciting contributions within this Commonwealth, the trust shall be established in the county where the principal place of business of the chapter, branch, area, office or similar affiliate is located.~~

~~(ii) If a person is soliciting contributions within this Commonwealth, the trust shall be established in the county where the principal place of business or the residence of the person is located.~~

~~Section 2. The act is amended by adding a section to read:~~
~~Section 14.1. Named individual receiving health care.~~

~~(a) General rule. If services which, in the estimation of a health care provider, are valued in excess of \$5,000 are requested for a named individual from a health care provider in~~

~~this Commonwealth and if contributions are being, have been or will be solicited for the benefit of the individual which either expressly or implicitly are intended in whole or in part to pay for the services to be provided by the health care provider, then, prior to the commencement of services by the health care provider or any other time requested by the health care provider, the individual or the individual's legal representative shall do all of the following:~~

~~(1) Provide written verification to the health care provider that funds collected for the benefit of the individual are being, have been, or will be collected, handled and dispersed in accordance with the applicable Federal or state law.~~

~~(2) Provide to the health care provider the identity and location of all funds and trusts established for the benefit of the individual and the names, addresses and telephone numbers of all trustees or holders of such funds.~~

~~(3) As collected funds are or become available for the benefit of the individual, do all of the following:~~

~~(i) Authorize payment to the health care provider from collected funds reasonable deposits or advanced payments required to cover all or part of the estimated cost of the services.~~

~~(ii) Deposit with the corporate fiduciary in this Commonwealth an amount of the collected funds necessary to cover estimated potential costs for the services. The amount under this subparagraph shall be determined by the health care provider to be the greater of the following:~~

~~(A) The maximum charges that have been accrued by patients undergoing the same or similar procedures~~

1 ~~or treatment by the health care provider.~~

2 ~~(B) The actual costs for the particular services~~
3 ~~estimated to be necessary for the care and treatment~~
4 ~~of the individual.~~

5 ~~(b) Trust.~~

6 ~~(1) The trustee has the power and duty to release money~~
7 ~~to the health care provider on a periodic basis for services~~
8 ~~rendered or goods supplied, upon billing by the health care~~
9 ~~provider, if any of the following applies:~~

10 ~~(i) The named individual or the individual's legal~~
11 ~~representative approves the bill.~~

12 ~~(ii) The bill is submitted to the named individual~~
13 ~~and the individual's legal representative, if there is~~
14 ~~one; and no written objection is given to the trustee~~
15 ~~within 30 days of submission.~~

16 ~~(2) The trustee may not transfer, distribute or pay~~
17 ~~funds, except in the manner set forth in paragraph (1), until~~
18 ~~the named individual or the individual's legal representative~~
19 ~~has provided to the trustee written verification from each~~
20 ~~health care provider that payment has been made for all goods~~
21 ~~and services provided to or for the benefit of the~~
22 ~~individual.~~

23 ~~(c) Insurance.~~

24 ~~(1) A patient to whom services are rendered in this~~
25 ~~Commonwealth by a health care provider under this section~~
26 ~~shall be deemed to authorize the health care provider to~~
27 ~~reveal to an insurance company or a governmental agency all~~
28 ~~of the following:~~

29 ~~(i) The estimated cost of the services or goods to~~
30 ~~be provided for the patient.~~

~~(ii) The actual cost incurred to date for services or goods provided to the patient.~~

~~(iii) The amounts of the cost covered by health or other insurance.~~

~~(iv) The amounts of the cost already paid by insurance or other sources.~~

~~(v) The existence of any other source of funds for the payment of the cost services, including all charitable funds.~~

~~(vi) The names and addresses of all banks, trustees or other persons holding funds for the benefit of the patient.~~

~~(vii) The estimated length of time the patient will be in need of services or goods from the particular health care provider.~~

~~(2) If the patient has health or other insurance with an insurance company licensed to do business in this Commonwealth, and that insurance covers part or all of the services provided, then, upon written verification to the health care provider from the insurer of the existence of the insurance and the scope of coverage, the health care provider shall reduce the estimated potential costs under subsection (a)(3)(ii) by the amount of the cost covered by the insurance.~~

~~(d) Other payment. If the patient has paid to the health care provider a deposit or advance payment or if other payments have been made to the health care provider specifically for the benefit of the patient, the health care provider shall reduce the estimated potential costs under subsection (a)(3)(ii) by the amount of the payments.~~

~~(c) Other remedies. Nothing in this section shall limit a health care provider or patient from pursuing any other remedy available at law or in equity.~~

~~Section 3. This act shall take effect in 60 days.~~

SECTION 1. SHORT TITLE.

THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE SOLICITATION OF FUNDS FOR CHARITABLE PURPOSES ACT.

SECTION 2. LEGISLATIVE INTENT.

IT IS THE INTENTION OF THE GENERAL ASSEMBLY THAT THIS ACT SHALL NOT MERELY REQUIRE PROPER REGISTRATION OF CHARITABLE ORGANIZATIONS, PROFESSIONAL FUNDRAISERS AND PROFESSIONAL SOLICITORS, BUT SHALL PROTECT THE CITIZENS OF THIS COMMONWEALTH BY REQUIRING FULL PUBLIC DISCLOSURE OF THE IDENTITY OF PERSONS WHO SOLICIT CONTRIBUTIONS FROM THE PUBLIC, THE PURPOSES FOR WHICH SUCH CONTRIBUTIONS ARE SOLICITED AND THE MANNER IN WHICH THEY ARE ACTUALLY USED, BY PROMOTING CONSUMER EDUCATION ABOUT CHARITABLE CONCERNS, AND BY PROVIDING CIVIL AND CRIMINAL PENALTIES FOR DECEPTION AND DISHONEST STATEMENTS AND CONDUCT IN THE SOLICITATION AND REPORTING OF CONTRIBUTIONS FOR OR IN THE NAME OF CHARITABLE PURPOSES, AND BY PUBLICIZING MATTERS RELATING TO FRAUD, DECEPTION AND MISREPRESENTATION PERPETRATED IN THE NAME OF CHARITY. THIS ACT SHALL NOT BE CONSTRUED TO BE EXCLUSIVE IN ITS PURVIEW AND ITS APPLICATION SHALL NOT OPERATE AS A BAR OR OTHERWISE PREVENT THE CONTEMPORANEOUS OR SUBSEQUENT APPLICATION OF ANY OTHER RELEVANT ACT OR ACTS.

SECTION 3. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

"ADMINISTRATIVE COSTS." ALL MANAGEMENT AND GENERAL COSTS OF

1 A CHARITABLE ORGANIZATION, NOT IDENTIFIABLE WITH A SINGLE
2 PROGRAM OR FUNDRAISING ACTIVITY, BUT INDISPENSABLE TO THE
3 CONDUCT OF SUCH PROGRAMS AND ACTIVITIES AND TO AN ORGANIZATION'S
4 EXISTENCE, INCLUDING EXPENSES FOR THE OVERALL DIRECTION OF THE
5 ORGANIZATION, BUSINESS MANAGEMENT, GENERAL RECORD KEEPING,
6 BUDGETING, FINANCIAL REPORTING AND RELATED ACTIVITIES, SALARIES,
7 RENT, SUPPLIES, EQUIPMENT AND GENERAL OVERHEAD EXPENSES.

8 "AFFILIATE." ANY CHAPTER, BRANCH, AUXILIARY OR OTHER
9 SUBORDINATE UNIT OF ANY CHARITABLE ORGANIZATION, HOWSOEVER
10 DESIGNATED, WHOSE POLICIES, FUNDRAISING ACTIVITIES AND
11 EXPENDITURES ARE SUPERVISED OR CONTROLLED BY SUCH PARENT
12 ORGANIZATION.

13 "BUREAU." THE BUREAU OF CHARITABLE ORGANIZATIONS OF THE
14 DEPARTMENT OF STATE.

15 "CHARITABLE ORGANIZATION." ANY PERSON GRANTED TAX EXEMPT
16 STATUS UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF
17 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C)(3)) OR ANY PERSON
18 WHO IS OR HOLDS HIMSELF OUT TO BE ESTABLISHED FOR ANY CHARITABLE
19 PURPOSE OR ANY PERSON WHO IN ANY MANNER EMPLOYS A CHARITABLE
20 APPEAL AS THE BASIS OF ANY SOLICITATION OR AN APPEAL WHICH HAS A
21 TENDENCY TO SUGGEST THERE IS A CHARITABLE PURPOSE TO ANY
22 SOLICITATION. AN AFFILIATE OF A CHARITABLE ORGANIZATION WHICH
23 HAS ITS PRINCIPAL PLACE OF BUSINESS OUTSIDE THIS COMMONWEALTH
24 SHALL BE A CHARITABLE ORGANIZATION FOR THE PURPOSES OF THIS ACT.
25 THE TERM SHALL NOT BE DEEMED TO INCLUDE:

26 (1) ANY BONA FIDE DULY CONSTITUTED ORGANIZATION OF LAW
27 ENFORCEMENT PERSONNEL, FIREFIGHTERS OR OTHER PERSONS WHO
28 PROTECT THE PUBLIC SAFETY WHOSE STATED PURPOSE IN THE
29 SOLICITATION DOES NOT INCLUDE ANY BENEFIT TO ANY PERSON
30 OUTSIDE THE ACTUAL ACTIVE MEMBERSHIP OF THE ORGANIZATION; AND

1 (2) ANY BONA FIDE DUTY CONSTITUTED RELIGIOUS
2 INSTITUTIONS AND SUCH SEPARATE GROUPS OR CORPORATIONS WHICH
3 FORM AN INTEGRAL PART OF RELIGIOUS INSTITUTIONS, PROVIDED
4 THAT:

5 (I) SUCH RELIGIOUS INSTITUTIONS, GROUPS OR
6 CORPORATIONS ARE TAX EXEMPT PURSUANT TO THE INTERNAL
7 REVENUE CODE OF 1986;

8 (II) NO PART OF THEIR NET INCOME INURES TO THE
9 DIRECT BENEFIT OF ANY INDIVIDUAL; AND

10 (III) THEIR CONDUCT IS PRIMARILY SUPPORTED BY
11 GOVERNMENT GRANTS OR CONTRACTS OR FUNDS SOLICITED WITHIN
12 THEIR OWN MEMBERSHIPS OR CONGREGATIONS, OR FEES CHARGED
13 FOR SERVICES RENDERED.

14 "CHARITABLE PROMOTION." ANY ADVERTISING OR SALES CAMPAIGN,
15 EVENT OR PERFORMANCE, CONDUCTED, PRODUCED, PROMOTED,
16 UNDERWRITTEN, ARRANGED OR SPONSORED BY A COMMERCIAL CO-VENTURER,
17 WHICH REPRESENTS THAT THE PURCHASE OR USE OF GOODS OR SERVICES
18 OR ATTENDANCE AT EVENTS OR PERFORMANCES OFFERED OR SPONSORED BY
19 THE COMMERCIAL CO-VENTURER WILL BENEFIT, IN WHOLE OR IN PART, A
20 CHARITABLE ORGANIZATION OR PURPOSE.

21 "CHARITABLE PURPOSE." ANY BENEVOLENT, EDUCATIONAL,
22 PHILANTHROPIC, HUMANE, SCIENTIFIC, PATRIOTIC, SOCIAL WELFARE OR
23 ADVOCACY, PUBLIC HEALTH, ENVIRONMENTAL CONSERVATION, CIVIC OR
24 OTHER ELEEMOSYNARY OBJECTIVE, INCLUDING AN OBJECTIVE OF ANY BONA
25 FIDE DUTY CONSTITUTED ORGANIZATION OF LAW ENFORCEMENT PERSONNEL,
26 FIREFIGHTERS OR OTHER PERSONS WHO PROTECT THE PUBLIC SAFETY IF A
27 STATED PURPOSE OF THE SOLICITATION INCLUDES ANY BENEFIT TO ANY
28 PERSON OUTSIDE THE ACTUAL ACTIVE MEMBERSHIP OF THE ORGANIZATION.

29 "COMMERCIAL CO-VENTURER." ANY PERSON WHO FOR PROFIT IS
30 REGULARLY AND PRIMARILY ENGAGED IN TRADE OR COMMERCE OTHER THAN

1 IN CONNECTION WITH THE RAISING OF FUNDS OR ANY OTHER THING OF
2 VALUE FOR A CHARITABLE ORGANIZATION AND WHO ADVERTISES THAT THE
3 PURCHASE OR USE OF GOODS, SERVICES, ENTERTAINMENT OR ANY OTHER
4 THING OF VALUE WILL BENEFIT A CHARITABLE ORGANIZATION.

5 "CONTRIBUTION." THE PROMISE, GRANT OR PLEDGE OF MONEY,
6 CREDIT, PROPERTY, FINANCIAL ASSISTANCE OR OTHER THING OF ANY
7 KIND OR VALUE IN RESPONSE TO A SOLICITATION, INCLUDING THE
8 PAYMENT OR PROMISE TO PAY IN CONSIDERATION OF A PERFORMANCE,
9 EVENT OR SALE OF A GOOD OR SERVICE. PAYMENT BY MEMBERS OF AN
10 ORGANIZATION FOR MEMBERSHIP FEES, DUES, FINES OR ASSESSMENTS OR
11 FOR SERVICES RENDERED TO INDIVIDUAL MEMBERS, IF SUCH FEES, DUES,
12 FINES OR ASSESSMENTS CONFER A BONA FIDE RIGHT, PRIVILEGE,
13 PROFESSIONAL STANDING, HONOR OR OTHER DIRECT BENEFIT, SHALL NOT
14 BE DEEMED CONTRIBUTIONS, PROVIDED THAT MEMBERSHIP IS NOT
15 CONFERRED SOLELY AS CONSIDERATION FOR MAKING A CONTRIBUTION IN
16 RESPONSE TO A SOLICITATION. GOVERNMENT GRANTS OR CONTRACTS SHALL
17 NOT BE DEEMED A CONTRIBUTION.

18 "DEPARTMENT." THE DEPARTMENT OF STATE OF THE COMMONWEALTH.

19 "FEDERATED FUNDRAISING ORGANIZATION." A FEDERATION OF
20 INDEPENDENT CHARITABLE ORGANIZATIONS WHICH HAVE VOLUNTARILY
21 JOINED TOGETHER INCLUDING, BUT NOT LIMITED TO, A UNITED WAY OR
22 COMMUNITY CHEST, FOR PURPOSES OF RAISING AND DISTRIBUTING MONEY
23 FOR AND AMONG THEMSELVES AND WHERE MEMBERSHIP DOES NOT CONFER
24 UPON THE FEDERATED GROUP ORGANIZATION OPERATING AUTHORITY AND
25 CONTROL OF THE INDIVIDUAL AGENCIES.

26 "FIREFIGHTERS." ANY PERSON WHO IS OR REPRESENTS OR HOLDS
27 ITSELF OUT TO REPRESENT, AID, TRAIN OR OTHERWISE BENEFIT ANY
28 PAID OR VOLUNTEER FIREFIGHTER, ACTIVE OR RETIRED, OR THEIR
29 FAMILIES.

30 "FUNDRAISING COSTS." THOSE COSTS INCURRED IN INDUCING OTHERS

1 TO MAKE CONTRIBUTIONS TO A CHARITABLE ORGANIZATION FOR WHICH THE
2 CONTRIBUTORS WILL RECEIVE NO DIRECT ECONOMIC BENEFIT.
3 FUNDRAISING COSTS NORMALLY INCLUDE, BUT ARE NOT LIMITED TO,
4 SALARIES, RENT, ACQUIRING AND MAINTAINING MAILING LISTS,
5 PRINTING, MAILING AND ALL DIRECT AND INDIRECT COSTS OF
6 SOLICITING, AS WELL AS THE COST OF UNSOLICITED MERCHANDISE SENT
7 TO ENCOURAGE CONTRIBUTIONS. FUNDRAISING COSTS DO NOT INCLUDE THE
8 DIRECT COST OF MERCHANDISE OR GOODS SOLD OR THE DIRECT COST OF
9 FUNDRAISING DINNERS, BAZAARS, SHOWS, CIRCUSES, BANQUETS,
10 DINNERS, THEATER PARTIES OR ANY OTHER FORM OF BENEFIT
11 PERFORMANCES.

12 "LAW ENFORCEMENT PERSONNEL." ANY PERSON WHO IS OR REPRESENTS
13 OR HOLDS ITSELF OUT TO REPRESENT, AID, TRAIN OR OTHERWISE
14 BENEFIT ANY POLICE OFFICER, SHERIFF OR DEPUTY SHERIFF, CONSTABLE
15 OR DEPUTY CONSTABLE, COUNTY DETECTIVES, FIRE POLICE, OR ANY
16 OTHER PERSON WHO IS EMPOWERED TO MAKE ARRESTS, SERVE WARRANTS,
17 ISSUE SUMMONS OR OTHERWISE ENFORCE THE LAWS OF THIS COMMONWEALTH
18 TO INCLUDE RETIRED LAW ENFORCEMENT PERSONNEL AND THE FAMILIES OF
19 LAW ENFORCEMENT PERSONNEL.

20 "NET PROCEEDS." THE TOTAL PROCEEDS RECEIVED FROM THE
21 SOLICITATION OF CONTRIBUTIONS REDUCED BY THE DIRECT COST OF
22 MERCHANDISE OR OTHER GOODS SOLD OR FUNDRAISING EVENTS OF ANY
23 KIND.

24 "OWNER." ANY PERSON WHO HAS A DIRECT OR INDIRECT INTEREST IN
25 ANY PROFESSIONAL FUNDRAISING COUNSEL OR PROFESSIONAL SOLICITOR.

26 "PARENT ORGANIZATION." THAT PART OF A CHARITABLE
27 ORGANIZATION WHICH COORDINATES, SUPERVISES OR EXERCISES CONTROL
28 OF POLICY, FUNDRAISING AND EXPENDITURES, OR ASSISTS OR RECEIVES
29 FUNDS FROM OR ADVISES ONE OR MORE AFFILIATES.

30 "PERSON." ANY INDIVIDUAL, ORGANIZATION, CORPORATION,

1 ASSOCIATION, PARTNERSHIP, TRUST, FOUNDATION OR ANY OTHER ENTITY
2 HOWEVER STYLED.

3 "PROFESSIONAL FUNDRAISING COUNSEL." ANY PERSON WHO IS
4 RETAINED BY A CHARITABLE ORGANIZATION FOR A FIXED FEE OR RATE
5 UNDER A WRITTEN AGREEMENT TO PLAN, CONDUCT, MANAGE, CARRY ON,
6 ADVISE, CONSULT OR PREPARE MATERIAL FOR OR WITH RESPECT TO THE
7 SOLICITATION IN THIS COMMONWEALTH OF CONTRIBUTIONS FOR A
8 CHARITABLE ORGANIZATION, BUT WHO DOES NOT SOLICIT CONTRIBUTIONS
9 OR EMPLOY, PROCURE OR ENGAGE ANY COMPENSATED PERSON TO SOLICIT
10 CONTRIBUTIONS AND WHO DOES NOT HAVE CUSTODY OR CONTROL OF
11 CONTRIBUTIONS. A BONA FIDE SALARIED OFFICER OR REGULAR,
12 NONTEMPORARY EMPLOYEE OF A CHARITABLE ORGANIZATION MAINTAINING A
13 PERMANENT ESTABLISHMENT WITHIN THIS COMMONWEALTH SHALL NOT BE
14 DEEMED TO BE A PROFESSIONAL FUNDRAISING COUNSEL PROVIDED THAT
15 THE INDIVIDUAL IS NOT EMPLOYED OR ENGAGED AS PROFESSIONAL
16 FUNDRAISING COUNSEL OR AS A PROFESSIONAL SOLICITOR BY ANY OTHER
17 PERSON.

18 "PROFESSIONAL SOLICITOR." ANY PERSON WHO IS RETAINED FOR
19 FINANCIAL OR OTHER CONSIDERATION BY A CHARITABLE ORGANIZATION TO
20 SOLICIT IN THIS COMMONWEALTH CONTRIBUTIONS FOR CHARITABLE
21 PURPOSES DIRECTLY OR IN THE FORM OF PAYMENT FOR GOODS, SERVICES
22 OR ADMISSION TO FUNDRAISING EVENTS, WHETHER SUCH SOLICITATION IS
23 PERFORMED PERSONALLY OR THROUGH HIS AGENTS, SERVANTS OR
24 EMPLOYEES OR THROUGH AGENTS, SERVANTS OR EMPLOYEES ESPECIALLY
25 EMPLOYED BY OR FOR A CHARITABLE ORGANIZATION WHO ARE ENGAGED IN
26 THE SOLICITATION OF CONTRIBUTIONS, THE SALE OF GOODS OR SERVICES
27 OR THE PRODUCTION OF FUNDRAISING EVENTS UNDER THE DIRECTION OF
28 SUCH PERSON, OR A PERSON WHO PLANS, CONDUCTS, MANAGES, CARRIES
29 ON, ADVISES, CONSULTS, WHETHER DIRECTLY OR INDIRECTLY, IN
30 CONNECTION WITH THE SOLICITATION OF CONTRIBUTIONS, SALE OF GOODS

1 OR SERVICES OR THE PRODUCTION OF FUNDRAISING EVENTS FOR OR ON
2 BEHALF OF ANY CHARITABLE ORGANIZATION, BUT DOES NOT QUALIFY AS A
3 "PROFESSIONAL FUNDRAISING COUNSEL" WITHIN THE MEANING OF THIS
4 ACT. A PERSON WHO IS OTHERWISE A PROFESSIONAL FUNDRAISING
5 COUNSEL SHALL BE DEEMED A PROFESSIONAL SOLICITOR IF HIS
6 COMPENSATION IS RELATED TO THE AMOUNT OF CONTRIBUTIONS RECEIVED.
7 A BONA FIDE SALARIED OFFICER OR REGULAR, NONTEMPORARY EMPLOYEE
8 OF A CHARITABLE ORGANIZATION MAINTAINING A PERMANENT
9 ESTABLISHMENT WITHIN THIS COMMONWEALTH SHALL NOT BE DEEMED TO BE
10 A PROFESSIONAL SOLICITOR PROVIDED THAT THE INDIVIDUAL IS NOT
11 EMPLOYED OR ENGAGED AS PROFESSIONAL FUNDRAISING COUNSEL OR AS A
12 PROFESSIONAL SOLICITOR BY ANY OTHER PERSON.

13 "SECRETARY." THE SECRETARY OF THE COMMONWEALTH.

14 "SOLICITATION." ANY DIRECT OR INDIRECT REQUEST FOR A
15 CONTRIBUTION ON THE REPRESENTATION THAT SUCH CONTRIBUTION WILL
16 BE USED IN WHOLE OR IN PART FOR A CHARITABLE PURPOSE INCLUDING,
17 BUT NOT LIMITED TO, ANY OF THE FOLLOWING:

18 (1) ANY ORAL REQUEST THAT IS MADE IN PERSON, BY
19 TELEPHONE, RADIO OR TELEVISION OR OTHER ADVERTISING OR
20 COMMUNICATION MEDIA.

21 (2) ANY WRITTEN OR OTHERWISE RECORDED OR PUBLISHED
22 REQUEST THAT IS MAILED, SENT, DELIVERED, CIRCULATED,
23 DISTRIBUTED, POSTED IN A PUBLIC PLACE OR ADVERTISED OR
24 COMMUNICATED BY PRESS, TELEGRAPH, TELEVISION OR ANY OTHER
25 MEDIA.

26 (3) ANY SALE OF, OFFER OR ATTEMPT TO SELL ANY
27 ADVERTISEMENT, ADVERTISING SPACE, SPONSORSHIP, BOOK, CARD,
28 CHANCE, COUPON, DEVICE, FOOD, MAGAZINE, MERCHANDISE,
29 NEWSPAPER, SUBSCRIPTION, TICKET OR OTHER SERVICE OR TANGIBLE
30 GOOD, THING OR ITEM OF VALUE.

1 (4) ANY ANNOUNCEMENT REQUESTING THE PUBLIC TO ATTEND AN
2 APPEAL, ASSEMBLAGE, ATHLETIC OR COMPETITIVE EVENT, CARNIVAL,
3 CIRCUS, CONCERT, CONTEST, DANCE, ENTERTAINMENT, EXHIBITION,
4 EXPOSITION, GAME, LECTURE, MEAL, PARTY, SHOW, SOCIAL
5 GATHERING OR OTHER PERFORMANCE OR EVENT OF ANY KIND.

6 SECTION 4. POWERS AND DUTIES OF SECRETARY.

7 THE SECRETARY SHALL HAVE THE FOLLOWING POWERS AND DUTIES TO:

8 (1) PROVIDE FOR AND REGULATE THE REGISTRATION OF
9 CHARITABLE ORGANIZATIONS, PROFESSIONAL FUNDRAISING COUNSELORS
10 AND PROFESSIONAL SOLICITORS.

11 (2) DECIDE MATTERS RELATING TO THE ISSUANCE, RENEWAL,
12 SUSPENSION OR REVOCATION OF REGISTRATION.

13 (3) PROMULGATE, ADOPT AND ENFORCE THE RULES AND
14 REGULATIONS NECESSARY TO CARRY OUT THIS ACT.

15 (4) PROMULGATE REGULATIONS ALTERING FEES AND FINES
16 ESTABLISHED IN THIS ACT SUFFICIENT TO MEET EXPENDITURES OF
17 THE BUREAU.

18 (5) TAKE APPROPRIATE ACTION TO INITIATE ANY CIVIL OR
19 CRIMINAL PROCEEDINGS NECESSARY TO ENFORCE THIS ACT, IN
20 ACCORDANCE WITH THE ACT OF OCTOBER 15, 1980 (P.L.950,
21 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

22 (6) CONDUCT HEARINGS AND MAKE ADJUDICATIONS.

23 (7) KEEP A RECORD SHOWING THE NAMES AND ADDRESSES OF ALL
24 REGISTERED CHARITABLE ORGANIZATIONS, PROFESSIONAL FUNDRAISING
25 COUNSEL AND PROFESSIONAL SOLICITORS.

26 (8) SUBMIT ANNUALLY, ON OR BEFORE SEPTEMBER 30, TO THE
27 GOVERNOR, TO THE STATE GOVERNMENT COMMITTEES OF THE HOUSE OF
28 REPRESENTATIVES AND SENATE, AS WELL AS TO INTERESTED PARTIES,
29 A REPORT ON THE NUMBER OF REGISTERED CHARITIES, THE NUMBER OF
30 CHARITIES ORDERED TO CEASE AND DESIST SOLICITATION, THE

1 NUMBER OF CHARITIES CONTRACTING WITH PROFESSIONAL SOLICITORS
2 AND THE COMPENSATION OF PROFESSIONAL SOLICITORS FOR EACH
3 SOLICITATION CAMPAIGN IN RELATION TO THE FUNDS RAISED AND
4 ADMINISTRATIVE COSTS.

5 (9) DELEGATE TO A DIVISION DIRECTOR OF HIS OFFICE SUCH
6 POWERS AND DUTIES UNDER THIS ACT AS HE MAY DEEM APPROPRIATE.

7 (10) EXERCISE ALL OTHER AUTHORITY ACCORDED TO HIM BY
8 THIS ACT.

9 SECTION 5. REGISTRATION OF CHARITABLE ORGANIZATIONS; FINANCIAL
10 REPORTS; FEES; FAILURE TO FILE.

11 (A) REGISTRATION AND APPROVAL REQUIRED.--A CHARITABLE
12 ORGANIZATION, UNLESS EXEMPTED FROM REGISTRATION REQUIREMENTS
13 PURSUANT TO SECTION 6, SHALL FILE A REGISTRATION STATEMENT WITH
14 THE DEPARTMENT. THIS STATEMENT MUST BE REFILED ANNUALLY WITHIN
15 135 DAYS AFTER THE CLOSE OF ITS FISCAL YEAR IN WHICH THE
16 CHARITABLE ORGANIZATION WAS ENGAGED IN SOLICITATION ACTIVITIES.
17 THE DEPARTMENT SHALL REVIEW THE STATEMENT PURSUANT TO SECTION
18 5(R). NO CHARITABLE ORGANIZATION SHALL SOLICIT CONTRIBUTIONS OR
19 HAVE CONTRIBUTIONS SOLICITED IN ITS BEHALF BEFORE APPROVAL OF
20 ITS REGISTRATION STATEMENT BY THE DEPARTMENT.

21 (B) FILING OF STATEMENT.--IT SHALL BE THE DUTY OF THE
22 PRESIDENT, CHAIRMAN OR PRINCIPAL OFFICER OF EACH CHARITABLE
23 ORGANIZATION TO FILE THE REGISTRATION STATEMENT, FINANCIAL
24 REPORT AND FEE REQUIRED UNDER THIS SECTION. THE REGISTRATION
25 STATEMENT SHALL BE SWORN TO BY TWO AUTHORIZED OFFICERS,
26 INCLUDING THE CHIEF FISCAL OFFICER OF THE ORGANIZATION, AND
27 SHALL CONTAIN ALL OF THE FOLLOWING INFORMATION:

28 (1) THE NAME OF THE ORGANIZATION AND ANY OTHER NAME OR
29 NAMES UNDER WHICH IT INTENDS TO SOLICIT CONTRIBUTIONS.

30 (2) THE PRINCIPAL ADDRESS AND TELEPHONE NUMBER OF THE

1 ORGANIZATION AND THE ADDRESSES AND TELEPHONE NUMBERS OF ANY
2 OFFICES IN THIS COMMONWEALTH. IF THE ORGANIZATION DOES NOT
3 MAINTAIN AN OFFICE, THE NAME AND ADDRESS OF THE INDIVIDUAL
4 HAVING CUSTODY OF ITS FINANCIAL RECORDS.

5 (3) THE NAMES AND ADDRESSES OF ANY AFFILIATES WHICH
6 SHARE IN THE CONTRIBUTIONS OR OTHER REVENUE RAISED IN THIS
7 COMMONWEALTH.

8 (4) THE NAMES AND ADDRESSES OF THE OFFICERS, DIRECTORS
9 AND TRUSTEES AND THE PRINCIPAL SALARIED EXECUTIVE STAFF
10 OFFICERS.

11 (5) A COPY OF THE FINANCIAL REPORT REQUIRED UNDER
12 SUBSECTION (E).

13 (6) A COPY OF ANY DETERMINATION OF THE ORGANIZATION'S
14 TAX EXEMPT STATUS UNDER THE INTERNAL REVENUE CODE OF 1986
15 (PUBLIC LAW 99-514) AND, FOR ORGANIZATIONS GRANTED TAX EXEMPT
16 STATUS UNDER SECTION 501(C)(3), A COPY OF THE LAST FILED
17 INTERNAL REVENUE SERVICE FORM 990 AND SCHEDULE A FOR EVERY
18 CHARITABLE ORGANIZATION AND PARENT ORGANIZATION.

19 (7) THE DATE WHEN THE ORGANIZATION'S FISCAL YEAR BEGINS.

20 (8) WHETHER:

21 (I) THE ORGANIZATION IS AUTHORIZED BY ANY OTHER
22 GOVERNMENTAL AUTHORITY TO SOLICIT CONTRIBUTIONS;

23 (II) THE ORGANIZATION OR ANY OF ITS PRESENT
24 OFFICERS, DIRECTORS, EXECUTIVE PERSONNEL OR TRUSTEES ARE
25 OR HAVE EVER BEEN ENJOINED IN ANY JURISDICTION FROM
26 SOLICITING CONTRIBUTIONS OR HAVE BEEN FOUND TO HAVE
27 ENGAGED IN UNLAWFUL PRACTICES IN THE SOLICITATION OF
28 CONTRIBUTIONS OR ADMINISTRATION OF CHARITABLE ASSETS;

29 (III) THE ORGANIZATION'S REGISTRATION OR LICENSE HAS
30 BEEN DENIED, SUSPENDED OR REVOKED BY ANY GOVERNMENTAL

1 AGENCY TOGETHER WITH THE REASONS FOR SUCH DENIAL,
2 SUSPENSION OR REVOCATION; AND

3 (IV) THE ORGANIZATION HAS VOLUNTARILY ENTERED INTO
4 AN ASSURANCE OF VOLUNTARY DISCONTINUANCE OR AGREEMENT
5 SIMILAR TO THAT SET FORTH IN SECTION 19(B) TOGETHER WITH
6 A COPY OF THAT AGREEMENT.

7 (9) A CLEAR DESCRIPTION OF THE SPECIFIC PROGRAMS FOR
8 WHICH CONTRIBUTIONS WILL BE USED AND A STATEMENT WHETHER SUCH
9 PROGRAMS ARE PLANNED OR IN EXISTENCE.

10 (10) THE NAMES AND ADDRESSES OF ANY PROFESSIONAL
11 SOLICITORS, PROFESSIONAL FUNDRAISING COUNSELS AND COMMERCIAL
12 CO-VENTURERS WHO ARE ACTING OR HAVE AGREED TO ACT ON BEHALF
13 OF THE ORGANIZATION.

14 (11) THE NAMES OF THE INDIVIDUALS OR OFFICERS OF THE
15 ORGANIZATION WHO ARE IN CHARGE OF ANY SOLICITATION
16 ACTIVITIES, WHO WILL HAVE FINAL RESPONSIBILITY FOR THE
17 CUSTODY OF THE CONTRIBUTIONS AND WHO WILL BE RESPONSIBLE FOR
18 THE FINAL DISTRIBUTION OF THE CONTRIBUTIONS.

19 (12) WHETHER ANY OF THE ORGANIZATION'S OFFICERS,
20 DIRECTORS, TRUSTEES OR EMPLOYEES ARE RELATED BY BLOOD,
21 MARRIAGE OR ADOPTION TO EACH OTHER OR TO ANY OFFICERS, AGENTS
22 OR EMPLOYEES OF ANY PROFESSIONAL FUNDRAISING COUNSEL OR
23 PROFESSIONAL SOLICITOR UNDER CONTRACT TO THE ORGANIZATION OR
24 TO ANY SUPPLIER OR VENDOR PROVIDING GOODS OR SERVICES TO THE
25 ORGANIZATION, AND THE NAMES AND BUSINESS AND RESIDENCE
26 ADDRESSES OF ANY SUCH RELATED PARTIES.

27 (13) ANY OTHER INFORMATION REQUIRED BY THE REGULATIONS
28 OF THE DEPARTMENT.

29 (C) ADDITIONAL FILINGS.--WITH THE INITIAL REGISTRATION ONLY,
30 EACH CHARITABLE ORGANIZATION REQUIRED TO BE REGISTERED SHALL

1 ALSO FILE WITH THE DEPARTMENT THE FOLLOWING DOCUMENTS:

2 (1) A COPY OF THE ORGANIZATION'S CHARTER, ARTICLES OF
3 ORGANIZATION, AGREEMENT OF ASSOCIATION, INSTRUMENT OF TRUST,
4 CONSTITUTION OR OTHER ORGANIZATIONAL INSTRUMENT AND BYLAWS.

5 (2) A STATEMENT SETTING FORTH WHERE AND THE DATE WHEN
6 THE ORGANIZATION WAS LEGALLY ESTABLISHED, THE FORM OF ITS
7 ORGANIZATION AND ITS TAX-EXEMPT STATUS TOGETHER WITH A COPY
8 OF THE LETTER OF EXEMPTION, IF ANY, ISSUED BY THE INTERNAL
9 REVENUE SERVICE.

10 (D) FEDERAL TAX EXEMPTION DETERMINATION.--EACH CHARITABLE
11 ORGANIZATION REGISTERED WITH THE DEPARTMENT SHALL FILE WITH THE
12 DEPARTMENT A COPY OF ANY FEDERAL TAX EXEMPTION DETERMINATION
13 LETTER RECEIVED AFTER THE INITIAL REGISTRATION WITHIN 30 DAYS
14 AFTER RECEIPT, AND ANY AMENDMENTS TO ITS ORGANIZATIONAL
15 INSTRUMENT WITHIN 30 DAYS AFTER ADOPTION.

16 (E) FINANCIAL REPORT.--WITH EACH REGISTRATION STATEMENT, A
17 CHARITABLE ORGANIZATION MUST FILE A FINANCIAL REPORT FOR THE
18 IMMEDIATELY PRECEDING FISCAL YEAR, WHICH SHALL CONTAIN A BALANCE
19 SHEET AND STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN FUND
20 BALANCES INDICATING THE ORGANIZATION'S GROSS REVENUE, THE AMOUNT
21 OF FUNDS RECEIVED FROM SOLICITATIONS OR OTHER FUNDRAISING
22 ACTIVITIES AND ALL EXPENDITURES FOR SUPPLIES, EQUIPMENT, GOODS,
23 SERVICES, PROGRAMS, ACTIVITIES OR OTHER EXPENSES, A DETAILED
24 LIST OF ALL SALARIES AND WAGES PAID AND EXPENSES ALLOWED TO ANY
25 OFFICER, OR EMPLOYEE IF THE ORGANIZATION IS NOT REQUIRED TO FILE
26 AN INTERNAL REVENUE SERVICE FORM 990 AND THE DISPOSITION OF THE
27 NET PROCEEDS RECEIVED FROM SOLICITED CONTRIBUTIONS OR OTHER
28 FUNDRAISING ACTIVITIES.

29 (F) AUDIT OF CERTAIN FINANCIAL REPORTS.--THE FINANCIAL
30 REPORT OF EVERY CHARITABLE ORGANIZATION WHICH RECEIVED

1 CONTRIBUTIONS IN EXCESS OF \$100,000 SHALL BE AUDITED BY AN
2 INDEPENDENT PUBLIC ACCOUNTANT. THE FINANCIAL REPORT OF EVERY
3 CHARITABLE ORGANIZATION WHICH RECEIVES CONTRIBUTIONS IN EXCESS
4 OF \$25,000, BUT LESS THAN \$100,000 SHALL BE REVIEWED OR AUDITED
5 BY AN INDEPENDENT PUBLIC ACCOUNTANT. AN AUDIT OR REVIEW IS
6 OPTIONAL FOR ANY CHARITABLE ORGANIZATION WHICH RECEIVES
7 CONTRIBUTIONS LESS THAN \$25,000. AUDITS SHALL BE PERFORMED IN
8 ACCORDANCE WITH THE STATEMENT ON AUDITING STANDARDS OF THE
9 AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND REVIEWS
10 SHALL BE PERFORMED IN ACCORDANCE WITH THE STATEMENT ON STANDARDS
11 FOR ACCOUNTING AND REVIEW SERVICES OF THE AMERICAN INSTITUTE OF
12 CERTIFIED PUBLIC ACCOUNTANTS.

13 (G) GOVERNMENTAL AUDITS.--GOVERNMENT AUDITS OF GOVERNMENT
14 GRANTS SHALL BE ACCEPTED AND SHALL BE INCLUDED AS PART OF THE
15 FINANCIAL STATEMENTS.

16 (H) OTHER ACCEPTABLE REPORTS.--THE DEPARTMENT MAY ACCEPT A
17 COPY OF A CURRENT FINANCIAL REPORT PREVIOUSLY PREPARED BY A
18 CHARITABLE ORGANIZATION FOR A GOVERNMENTAL AGENCY IN ANOTHER
19 JURISDICTION IN COMPLIANCE WITH THE LAWS OF THAT JURISDICTION,
20 PROVIDED THAT THE REPORT FILED WITH SUCH OTHER GOVERNMENTAL
21 AGENCY SHALL BE SUBSTANTIALLY SIMILAR IN CONTENT TO THE REPORT
22 REQUIRED BY THIS SECTION.

23 (I) REPORTS TO ACCOMPANY AUDIT.--AUDITED AND REVIEWED
24 FINANCIAL STATEMENTS MUST BE ACCOMPANIED BY THE REPORT PREPARED
25 AND SIGNED BY THE INDEPENDENT PUBLIC ACCOUNTANT.

26 (J) OPTIONAL DEPARTMENTAL ACTION.--THE DEPARTMENT SHALL HAVE
27 THE DISCRETION TO REQUIRE THAT AN AUDIT OR REVIEW BE SUBMITTED
28 BY ANY CHARITABLE ORGANIZATION WHICH FILES A REGISTRATION
29 STATEMENT. THE DEPARTMENT SHALL ALSO HAVE THE DISCRETION TO
30 ACCEPT THE FINANCIAL STATEMENT SUBMITTED BY THE ORGANIZATION IN

1 LIEU OF AN AUDIT OR REVIEW WHERE SPECIAL FACTS AND CIRCUMSTANCES
2 ARE PRESENTED.

3 (K) TIME EXTENSION FOR FILINGS.--FOR GOOD CAUSE SHOWN, THE
4 DEPARTMENT MAY EXTEND THE TIME FOR THE ANNUAL FILING OF A
5 REGISTRATION STATEMENT OR FINANCIAL REPORT FOR A PERIOD NOT TO
6 EXCEED 180 DAYS DURING WHICH TIME THE PREVIOUS REGISTRATION
7 REMAINS IN EFFECT.

8 (L) CANCELLATION OF REGISTRATION.--IN NO EVENT SHALL THE
9 REGISTRATION OF A CHARITABLE ORGANIZATION CONTINUE IN EFFECT
10 AFTER THE DATE THE ORGANIZATION SHOULD HAVE FILED, BUT FAILED TO
11 FILE, ITS FINANCIAL REPORT IN ACCORDANCE WITH THIS SECTION. SUCH
12 ORGANIZATION SHALL NOT BE ELIGIBLE TO FILE A NEW REGISTRATION
13 STATEMENT UNTIL IT SHALL HAVE FILED THE REQUIRED FINANCIAL
14 REPORT WITH THE DEPARTMENT.

15 (M) REPORTS BY AFFILIATES.--

16 (1) EACH AFFILIATE WHOSE PARENT ORGANIZATION HAS ITS
17 PRINCIPAL PLACE OF BUSINESS IN THIS COMMONWEALTH MAY
18 SEPARATELY FILE THE REGISTRATION STATEMENT OR FINANCIAL
19 INFORMATION REQUIRED BY THIS SECTION, OR REPORT THE REQUIRED
20 INFORMATION TO ITS PARENT ORGANIZATION WHICH SHALL THEN FILE
21 A COMBINED REGISTRATION STATEMENT AND FINANCIAL REPORT FOR
22 ITS PENNSYLVANIA AFFILIATES. THERE SHALL BE APPENDED TO EACH
23 COMBINED REPORT A SCHEDULE, CONTAINING SUCH INFORMATION AS
24 MAY BE PRESCRIBED IN THE REGULATIONS OF THE DEPARTMENT,
25 REFLECTING THE ACTIVITIES OF EACH AFFILIATE, WHICH SHALL
26 CONTAIN A CERTIFICATION, UNDER OATH, BY AN OFFICIAL OF THE
27 ORGANIZATION, THAT THE INFORMATION CONTAINED THEREIN IS TRUE.
28 THE FAILURE OF A PARENT ORGANIZATION TO FILE A COMBINED
29 REGISTRATION STATEMENT AND FINANCIAL REPORT SHALL NOT EXCUSE
30 EITHER THE PARENT ORGANIZATION OR ITS AFFILIATES FROM

1 COMPLYING WITH THE REQUIREMENTS OF THIS SECTION.

2 (2) IF AN AFFILIATE IS SOLICITING IN THIS COMMONWEALTH
3 BUT ITS PARENT ORGANIZATION HAS ITS PRINCIPAL PLACE OF
4 BUSINESS OUTSIDE THIS COMMONWEALTH, BOTH THE AFFILIATE AND
5 THE PARENT ORGANIZATION SHALL INDEPENDENTLY COMPLY WITH ALL
6 OF THE REGISTRATION REQUIREMENTS OF THIS SECTION.

7 (N) FEDERATED ORGANIZATIONS.--AN INDEPENDENT MEMBER AGENCY
8 OF A FEDERATED FUNDRAISING ORGANIZATION SHALL INDEPENDENTLY
9 COMPLY WITH THE PROVISIONS OF THIS SECTION UNLESS SPECIFICALLY
10 EXEMPTED.

11 (O) RETENTION OF RECORDS, ETC.--EACH CHARITABLE ORGANIZATION
12 REQUIRED TO REGISTER SHALL MAINTAIN RECORDS, BOOKS AND REPORTS
13 FOR AT LEAST THREE YEARS AFTER THE END OF THE PERIOD OF
14 REGISTRATION TO WHICH THEY RELATE, WHICH SHALL BE AVAILABLE FOR
15 INSPECTION UPON DEMAND BY THE DEPARTMENT AND THE OFFICE OF
16 ATTORNEY GENERAL.

17 (P) ANNUAL REGISTRATION FEES.--A CHARITABLE ORGANIZATION
18 WHICH SUBMITS A SHORT FORM REGISTRATION STATEMENT PURSUANT TO
19 SECTION 7 OR RECEIVES CONTRIBUTIONS OF LESS THAN \$25,000 DURING
20 THE IMMEDIATELY PRECEDING FISCAL YEAR SHALL PAY AN ANNUAL
21 REGISTRATION FEE OF \$15. A CHARITABLE ORGANIZATION WHICH
22 RECEIVES CONTRIBUTIONS IN EXCESS OF \$25,000, BUT LESS THAN
23 \$100,000 DURING THE IMMEDIATELY PRECEDING FISCAL YEAR SHALL PAY
24 AN ANNUAL REGISTRATION FEE OF \$50. A CHARITABLE ORGANIZATION
25 WHICH RECEIVES CONTRIBUTIONS IN EXCESS OF \$100,000 DURING THE
26 IMMEDIATELY PRECEDING FISCAL YEAR SHALL PAY AN ANNUAL
27 REGISTRATION FEE OF \$100. A PARENT ORGANIZATION FILING ON BEHALF
28 OF ONE OR MORE AFFILIATES AND A FEDERATED FUNDRAISING
29 ORGANIZATION FILING ON BEHALF OF IT MEMBER AGENCIES SHALL PAY A
30 SINGLE ANNUAL REGISTRATION FEE FOR ITSELF AND SUCH OTHER

1 AFFILIATES OR MEMBER AGENCIES INCLUDED IN THE REGISTRATION
2 STATEMENT.

3 (Q) LATE FILING FEES.--IN ADDITION TO THE REGISTRATION FEE,
4 AN ORGANIZATION FAILING TO FILE A REGISTRATION APPLICATION BY
5 THE DUE DATE SHALL PAY AN ADDITIONAL FEE OF \$25 FOR EACH MONTH
6 OR PART OF THE MONTH AFTER THE DATE ON WHICH THE REGISTRATION
7 STATEMENT AND FINANCIAL REPORT WERE DUE TO BE FILED OR AFTER THE
8 PERIOD OF EXTENSION GRANTED FOR SUCH FILING.

9 (R) DEPARTMENT REVIEW.--THE DEPARTMENT SHALL EXAMINE EACH
10 REGISTRATION STATEMENT AND SUPPORTING DOCUMENTS FILED BY A
11 CHARITABLE ORGANIZATION AND SHALL DETERMINE WHETHER THE
12 REGISTRATION REQUIREMENTS ARE SATISFIED. IF THE DEPARTMENT
13 DETERMINES THAT THE REGISTRATION REQUIREMENTS ARE NOT SATISFIED,
14 THE DEPARTMENT MUST NOTIFY THE CHARITABLE ORGANIZATION WITHIN
15 TEN WORKING DAYS OF ITS RECEIPT OF THE REGISTRATION STATEMENT;
16 OTHERWISE THE REGISTRATION STATEMENT IS DEEMED TO BE APPROVED.
17 WITHIN SEVEN DAYS AFTER RECEIPT OF A NOTIFICATION THAT THE
18 REGISTRATION REQUIREMENTS ARE NOT SATISFIED, THE CHARITABLE
19 ORGANIZATION MAY REQUEST A HEARING. THE HEARING MUST BE HELD
20 WITHIN SEVEN DAYS OF RECEIPT OF THE REQUEST AND A DETERMINATION
21 MUST BE RENDERED WITHIN THREE WORKING DAYS OF THE HEARING.

22 SECTION 6. EXEMPTIONS FROM REGISTRATION.

23 (A) GENERAL RULE.--THE FOLLOWING CHARITABLE ORGANIZATIONS
24 SHALL BE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THIS ACT:

25 (1) EDUCATIONAL INSTITUTIONS, THE CURRICULA OF WHICH IN
26 WHOLE OR IN PART ARE REGISTERED WITH OR APPROVED BY THE
27 DEPARTMENT OF EDUCATION, EITHER DIRECTLY OR BY ACCEPTANCE OF
28 ACCREDITATION BY AN ACCREDITING BODY RECOGNIZED BY THE
29 DEPARTMENT OF EDUCATION; AND ANY AUXILIARY ASSOCIATIONS,
30 FOUNDATIONS AND SUPPORT GROUPS WHICH ARE DIRECTLY RESPONSIBLE

1 TO EDUCATIONAL INSTITUTIONS.

2 (2) HOSPITALS WHICH ARE SUBJECT TO REGULATION BY THE
3 DEPARTMENT OF HEALTH.

4 (3) A LOCAL POST, CAMP, CHAPTER OR SIMILARLY DESIGNATED
5 ELEMENT OR A COUNTY UNIT OF SUCH ELEMENTS OF:

6 (I) A BONA FIDE VETERAN'S ORGANIZATION WHICH ISSUES
7 CHARTERS TO SUCH LOCAL ELEMENTS THROUGHOUT THIS
8 COMMONWEALTH;

9 (II) A BONA FIDE ORGANIZATION OF VOLUNTEER FIREMEN;

10 (III) A BONA FIDE AMBULANCE ASSOCIATION;

11 (IV) A BONA FIDE RESCUE SQUAD ASSOCIATION; OR

12 (V) A BONA FIDE AUXILIARY OR AFFILIATE OF ANY
13 ORGANIZATION OR ASSOCIATION UNDER SUBPARAGRAPH (I), (II),
14 (III) OR (IV);

15 PROVIDED THAT ALL FUNDRAISING ACTIVITIES OF AN ORGANIZATION
16 OR ASSOCIATION UNDER SUBPARAGRAPH (I), (II), (III), (IV) OR
17 (V) ARE CARRIED ON BY VOLUNTEERS, MEMBERS OR AN AUXILIARY OR
18 AFFILIATE THEREOF, AND THOSE VOLUNTEERS, MEMBERS OR
19 AFFILIATES RECEIVE NO COMPENSATION DIRECTLY OR INDIRECTLY FOR
20 THE FUNDRAISING ACTIVITIES.

21 (4) PUBLIC NONPROFIT LIBRARY ORGANIZATIONS WHICH RECEIVE
22 FINANCIAL AID FROM STATE AND MUNICIPAL GOVERNMENTS AND FILE
23 AN ANNUAL FISCAL REPORT WITH THE STATE LIBRARY SYSTEM.

24 (5) SENIOR CITIZEN CENTERS WHICH ARE NONPROFIT AND
25 CHARITABLE AND WHICH HAVE BEEN GRANTED TAX-EXEMPT STATUS
26 UNDER THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514,
27 26 U.S.C. § 1 ET. SEQ.), PROVIDED THAT ALL FUNDRAISING
28 ACTIVITIES ARE CARRIED ON BY VOLUNTEERS, MEMBERS OR OFFICERS
29 OF THE SENIOR CITIZEN CENTER AND THOSE VOLUNTEERS, MEMBERS OR
30 OFFICERS RECEIVE NO COMPENSATION DIRECTLY OR INDIRECTLY FOR

1 THE FUNDRAISING ACTIVITIES.

2 (6) BONA FIDE PARENT/TEACHER ASSOCIATIONS OR
3 PARENT/TEACHER ORGANIZATIONS AS RECOGNIZED IN A NOTARIZED
4 LETTER FROM THE SCHOOL DISTRICT IN WHICH THEY ARE LOCATED.

5 (7) ANY CORPORATION ESTABLISHED BY AN ACT OF CONGRESS OF
6 THE UNITED STATES, THAT IS REQUIRED BY FEDERAL LAW TO SUBMIT
7 ANNUAL REPORTS OF ITS ACTIVITIES TO CONGRESS CONTAINING
8 ITEMIZED ACCOUNTS OF ALL RECEIPTS AND EXPENDITURES AFTER
9 BEING FULLY AUDITED BY THE DEPARTMENT OF DEFENSE.

10 (B) EFFECT OF EXEMPTION.--EXEMPTION FROM THE REGISTRATION
11 REQUIREMENTS OF THIS ACT SHALL IN NO WAY LIMIT THE APPLICABILITY
12 OF OTHER PROVISIONS OF THE ACT TO A CHARITABLE ORGANIZATION.

13 SECTION 7. SHORT FORM REGISTRATION.

14 THE FOLLOWING CHARITABLE ORGANIZATIONS SHALL BE REQUIRED TO
15 FILE SHORT FORM ANNUAL REGISTRATION STATEMENTS WITH THE
16 DEPARTMENT:

17 (1) PERSONS OR CHARITABLE ORGANIZATIONS ACCEPTING
18 CONTRIBUTIONS FOR THE RELIEF OF ANY INDIVIDUAL SPECIFIED BY
19 NAME AT THE TIME OF ACCEPTANCE OR SOLICITATION WHEN ALL OF
20 THE CONTRIBUTIONS COLLECTED WITHOUT ANY DEDUCTIONS WHATSOEVER
21 ARE TURNED OVER TO THE NAMED BENEFICIARY FOR HIS USE;
22 PROVIDED THAT ALL CONTRIBUTIONS COLLECTED SHALL BE HELD IN
23 TRUST AND SHALL BE SUBJECT TO THE PROVISIONS OF 20 PA.C.S.
24 CH. 71 (RELATING TO TRUST ESTATES). THE SECRETARY, THE
25 ATTORNEY GENERAL, ANY CONTRIBUTOR OR ANY PERSON WHO PROVIDES
26 ANY GOODS OR SERVICES FOR WHICH FUNDS ARE EXPRESSLY OR
27 IMPLICITLY SOLICITED SHALL HAVE THE RIGHT TO PETITION THE
28 COURT OF COMMON PLEAS OF THE COUNTY IN WHICH THE TRUST IS
29 LOCATED FOR AN ACCOUNTING OF ALL CONTRIBUTIONS. FOR PURPOSES
30 OF THIS PARAGRAPH, THE TRUST SHALL BE DEEMED TO BE LOCATED IN

1 THE COUNTY WHERE THE PRINCIPAL PLACE OF BUSINESS OF THE
2 CHARITABLE ORGANIZATION IS LOCATED. IF A CHARITABLE
3 ORGANIZATION HAS ITS PRINCIPAL PLACE OF BUSINESS OUTSIDE THIS
4 COMMONWEALTH, ALL OF THE FOLLOWING SHALL APPLY:

5 (I) IF AN AFFILIATE IS SOLICITING CONTRIBUTIONS
6 WITHIN THIS COMMONWEALTH, THE TRUST SHALL BE DEEMED TO BE
7 LOCATED IN THE COUNTY WHERE THE PRINCIPAL PLACE OF
8 BUSINESS OF THE AFFILIATE IS LOCATED.

9 (II) IF A PERSON IS SOLICITING CONTRIBUTIONS WITHIN
10 THIS COMMONWEALTH, THE TRUST SHALL BE DEEMED TO BE
11 LOCATED IN THE COUNTY WHERE THE PRINCIPAL PLACE OF
12 BUSINESS OR THE RESIDENCE OF THE PERSON IS LOCATED.

13 (III) IF THERE IS NO PLACE OF BUSINESS OR RESIDENCE
14 WITHIN THIS COMMONWEALTH, THE TRUST SHALL BE DEEMED TO BE
15 LOCATED IN THE COUNTY OF DAUPHIN.

16 (2) ORGANIZATIONS WHICH ONLY SOLICIT WITHIN THE
17 MEMBERSHIP OF THE ORGANIZATION BY THE MEMBERS OF THE
18 ORGANIZATION; PROVIDED THAT THE TERM "MEMBERSHIP" SHALL NOT
19 INCLUDE THOSE PERSONS WHO ARE GRANTED A MEMBERSHIP SOLELY
20 UPON MAKING A CONTRIBUTION AS THE RESULT OF SOLICITATION. FOR
21 THE PURPOSE OF THIS PARAGRAPH, "MEMBER" MEANS A PERSON HAVING
22 MEMBERSHIP IN A NONPROFIT CORPORATION, OR OTHER ORGANIZATION,
23 IN ACCORDANCE WITH THE PROVISIONS OF ITS ARTICLES OF
24 INCORPORATION, BYLAWS OR OTHER INSTRUMENTS CREATING ITS FORM
25 AND ORGANIZATION AND HAVING BONA FIDE RIGHTS AND PRIVILEGES
26 IN THE ORGANIZATION SUCH AS THE RIGHT TO VOTE, TO ELECT
27 OFFICERS AND DIRECTORS, TO HOLD OFFICE OR POSITION AS
28 ORDINARILY CONFERRED ON MEMBERS OF SUCH ORGANIZATIONS.

29 (3) CHARITABLE ORGANIZATIONS WHOSE FUNDRAISING
30 ACTIVITIES ARE CARRIED ON BY VOLUNTEERS, MEMBERS, OFFICERS OR

1 PERMANENT EMPLOYEES AND WHICH DO NOT RECEIVE CONTRIBUTIONS IN
2 EXCESS OF \$25,000 DURING A FISCAL YEAR, IF NO PART OF THEIR
3 ASSETS OR INCOME INURES TO THE BENEFIT OF OR IS PAID TO ANY
4 OFFICER OR MEMBER, PROFESSIONAL FUNDRAISING COUNSEL,
5 PROFESSIONAL SOLICITOR OR COMMERCIAL CO-VENTURER. CHARITABLE
6 ORGANIZATIONS WHICH DO NOT INTEND TO SOLICIT AND RECEIVE IN
7 EXCESS OF \$25,000, BUT DO RECEIVE CONTRIBUTIONS IN EXCESS OF
8 THAT AMOUNT SHALL FILE THE FINANCIAL REPORT REQUIRED IN
9 SECTION 5 WITHIN 30 DAYS AFTER CONTRIBUTIONS ARE RECEIVED IN
10 EXCESS OF THAT AMOUNT.

11 SECTION 8. REGISTRATION OF PROFESSIONAL FUNDRAISING COUNSEL,
12 AND CONTRACTS.

13 (A) REGISTRATION AND APPROVAL REQUIRED.--NO PERSON SHALL ACT
14 AS A PROFESSIONAL FUNDRAISING COUNSEL BEFORE OBTAINING
15 DEPARTMENT APPROVAL OF A REGISTRATION STATEMENT PURSUANT TO
16 SUBSECTION (C) OR AFTER THE EXPIRATION, SUSPENSION OR REVOCATION
17 OF SUCH REGISTRATION. A REGISTRATION APPLICATION SHALL BE SIGNED
18 AND SWORN TO BY THE PRINCIPAL OFFICER OF THE PROFESSIONAL
19 FUNDRAISING COUNSEL AND SHALL CONTAIN ALL OF THE FOLLOWING
20 INFORMATION:

21 (1) THE ADDRESS OF THE PRINCIPAL PLACE OF BUSINESS OF
22 THE APPLICANT AND ANY PENNSYLVANIA ADDRESSES, IF THE
23 PRINCIPAL PLACE OF BUSINESS IS LOCATED OUTSIDE THIS
24 COMMONWEALTH.

25 (2) THE FORM OF THE APPLICANT'S BUSINESS.

26 (3) THE NAMES AND RESIDENCE ADDRESSES OF ALL PRINCIPALS
27 OF THE APPLICANT, INCLUDING ALL OFFICERS, DIRECTORS AND
28 OWNERS.

29 (4) WHETHER ANY OF THE OWNERS, DIRECTORS, OFFICERS OR
30 EMPLOYEES OF THE APPLICANT ARE RELATED BY BLOOD, MARRIAGE OR

ADOPTION TO ANY OTHER DIRECTORS, OFFICERS, OWNERS OR
EMPLOYEES OF THE APPLICANT, ANY OFFICER, DIRECTOR, TRUSTEE OR
EMPLOYEE OF ANY CHARITABLE ORGANIZATION UNDER CONTRACT TO THE
APPLICANT OR ANY SUPPLIER OR VENDOR PROVIDING GOODS OR
SERVICES TO ANY CHARITABLE ORGANIZATION UNDER CONTRACT TO THE
APPLICANT.

(5) THE NAME OF ANY PERSON WHO IS IN CHARGE OF ANY
SOLICITATION ACTIVITY.

(B) REGISTRATION FEE.--THE APPLICATION FOR REGISTRATION
SHALL BE ACCOMPANIED BY A FEE OF \$100. A PROFESSIONAL
FUNDRAISING COUNSEL WHICH IS A PARTNERSHIP OR CORPORATION MAY
REGISTER FOR AND PAY A SINGLE FEE ON BEHALF OF ALL OF ITS
PARTNERS, MEMBERS, OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES.
EACH REGISTRATION SHALL BE VALID FOR ONE YEAR AND MAY BE RENEWED
FOR ADDITIONAL ONE-YEAR PERIODS UPON APPLICATION TO THE
DEPARTMENT AND PAYMENT OF THE REGISTRATION FEE.

(C) DEPARTMENT REVIEW.--THE DEPARTMENT SHALL EXAMINE EACH
REGISTRATION STATEMENT AND SUPPORTING DOCUMENTS FILED BY A
PROFESSIONAL FUNDRAISING COUNSEL AND SHALL DETERMINE WHETHER THE
REGISTRATION REQUIREMENTS ARE SATISFIED. IF THE DEPARTMENT
DETERMINES THAT THE REGISTRATION REQUIREMENTS ARE NOT SATISFIED,
THE DEPARTMENT MUST NOTIFY THE PROFESSIONAL FUNDRAISING COUNSEL
WITHIN TEN WORKING DAYS OF ITS RECEIPT OF ITS REGISTRATION
STATEMENT; OTHERWISE THE REGISTRATION STATEMENT IS DEEMED TO BE
APPROVED. WITHIN SEVEN DAYS AFTER RECEIPT OF A NOTIFICATION THAT
THE REGISTRATION REQUIREMENTS ARE NOT SATISFIED, THE
PROFESSIONAL FUNDRAISING COUNSEL MAY REQUEST A HEARING. THE
HEARING MUST BE HELD WITHIN SEVEN DAYS OF RECEIPT OF THE REQUEST
AND A DETERMINATION MUST BE RENDERED WITHIN THREE WORKING DAYS
OF THE HEARING.

1 (D) WRITTEN CONTRACT.--THERE SHALL BE A WRITTEN CONTRACT
2 BETWEEN A CHARITABLE ORGANIZATION AND A PROFESSIONAL FUNDRAISING
3 COUNSEL WHICH SHALL BE FILED BY THE PROFESSIONAL FUNDRAISING
4 COUNSEL WITH THE DEPARTMENT AT LEAST TEN WORKING DAYS PRIOR TO
5 THE PERFORMANCE BY THE PROFESSIONAL FUNDRAISING COUNSEL OF ANY
6 SERVICE. NO SOLICITATION PURSUANT TO THE CONTRACT SHALL BEGIN
7 BEFORE THE DEPARTMENT HAS APPROVED THE CONTRACT PURSUANT TO
8 SUBSECTION (E). THE CONTRACT MUST BE SIGNED BY TWO AUTHORIZED
9 OFFICIALS OF THE CHARITABLE ORGANIZATION, ONE OF WHOM MUST BE A
10 MEMBER OF THE ORGANIZATION'S GOVERNING BODY, AND THE AUTHORIZED
11 CONTRACTING OFFICER FOR THE PROFESSIONAL FUNDRAISING COUNSEL.
12 THE CONTRACT SHALL CONTAIN ALL OF THE FOLLOWING PROVISIONS:

13 (1) A STATEMENT OF THE CHARITABLE PURPOSE FOR WHICH THE
14 SOLICITATION CAMPAIGN IS BEING CONDUCTED.

15 (2) A STATEMENT OF THE RESPECTIVE OBLIGATIONS OF THE
16 PROFESSIONAL FUNDRAISING COUNSEL AND THE CHARITABLE
17 ORGANIZATION.

18 (3) A CLEAR STATEMENT OF THE FEES WHICH WILL BE PAID TO
19 THE PROFESSIONAL FUNDRAISING COUNSEL.

20 (4) THE EFFECTIVE AND TERMINATION DATES.

21 (5) A STATEMENT THAT THE PROFESSIONAL FUNDRAISING
22 COUNSEL WILL NOT AT ANY TIME HAVE CUSTODY OF CONTRIBUTIONS.

23 (6) ANY OTHER INFORMATION REQUIRED BY THE REGULATIONS OF
24 THE DEPARTMENT.

25 (E) DEPARTMENT REVIEW.--THE DEPARTMENT SHALL EXAMINE EACH
26 CONTRACT FILED BY A PROFESSIONAL FUNDRAISING COUNSEL AND SHALL
27 DETERMINE WHETHER THE CONTRACT CONTAINS THE REQUIRED
28 INFORMATION. IF THE DEPARTMENT DETERMINES THAT THE REQUIREMENTS
29 ARE NOT SATISFIED, THE DEPARTMENT MUST NOTIFY THE PROFESSIONAL
30 FUNDRAISING COUNSEL WITHIN TEN WORKING DAYS OF ITS RECEIPT OF

1 THE CONTRACT; OTHERWISE THE CONTRACT IS DEEMED TO BE APPROVED.
2 WITHIN SEVEN DAYS AFTER RECEIPT OF A NOTIFICATION THAT THE
3 REQUIREMENTS ARE NOT SATISFIED, THE PROFESSIONAL FUNDRAISING
4 COUNSEL MAY REQUEST A HEARING. THE HEARING MUST BE HELD WITHIN
5 SEVEN DAYS OF RECEIPT OF THE REQUEST AND A DETERMINATION MUST BE
6 RENDERED WITHIN THREE WORKING DAYS OF THE HEARING.

7 SECTION 9. REGISTRATION OF PROFESSIONAL SOLICITORS; CONTRACT
8 AND DISCLOSURE REQUIREMENTS; BONDS; RECORDS;
9 BOOKS.

10 (A) REGISTRATION AND APPROVAL REQUIRED.--NO PERSON SHALL ACT
11 AS A PROFESSIONAL SOLICITOR BEFORE OBTAINING DEPARTMENT APPROVAL
12 OF A REGISTRATION STATEMENT PURSUANT TO SUBSECTION (D) OR AFTER
13 THE EXPIRATION, SUSPENSION OR REVOCATION OF SUCH REGISTRATION. A
14 REGISTRATION APPLICATION SHALL BE SIGNED AND SWORN TO BY THE
15 PRINCIPAL OFFICER OF THE PROFESSIONAL SOLICITOR, AND SHALL
16 CONTAIN ALL OF THE FOLLOWING INFORMATION:

17 (1) THE ADDRESS OF THE PRINCIPAL PLACE OF BUSINESS OF
18 THE APPLICANT AND ANY PENNSYLVANIA ADDRESSES, IF THE
19 PRINCIPAL PLACE OF BUSINESS IS LOCATED OUTSIDE THIS
20 COMMONWEALTH.

21 (2) THE FORM OF THE APPLICANT'S BUSINESS.

22 (3) THE NAMES AND RESIDENCE ADDRESSES OF ALL PRINCIPALS
23 OF THE APPLICANT, INCLUDING ALL OFFICERS, DIRECTORS AND
24 OWNERS.

25 (4) WHETHER ANY OF THE OWNERS, DIRECTORS, OFFICERS OR
26 EMPLOYEES OF THE APPLICANT ARE RELATED BY BLOOD, MARRIAGE OR
27 ADOPTION TO ANY OTHER DIRECTORS, OFFICERS, OWNERS OR
28 EMPLOYEES OF THE APPLICANT, ANY OFFICER, DIRECTOR, TRUSTEE OR
29 EMPLOYEE OF ANY CHARITABLE ORGANIZATION UNDER CONTRACT TO THE
30 APPLICANT OR ANY SUPPLIER OR VENDOR PROVIDING GOODS OR

SERVICES TO ANY CHARITABLE ORGANIZATION UNDER CONTRACT TO THE
APPLICANT.

(5) THE NAME OF ALL PERSONS IN CHARGE OF ANY
SOLICITATION ACTIVITY.

(B) REGISTRATION FEE.--THE APPLICATION FOR REGISTRATION
SHALL BE ACCOMPANIED BY A FEE OF \$100. A PROFESSIONAL SOLICITOR
WHICH IS A PARTNERSHIP OR CORPORATION MAY REGISTER FOR AND PAY A
SINGLE FEE ON BEHALF OF ALL OF ITS PARTNERS, MEMBERS, OFFICERS,
DIRECTORS, AGENTS AND EMPLOYEES. EACH REGISTRATION SHALL BE
VALID FOR ONE YEAR AND MAY BE RENEWED FOR ADDITIONAL ONE-YEAR
PERIODS UPON APPLICATION TO THE DEPARTMENT AND PAYMENT OF THE
REGISTRATION FEE.

(C) BOND.--A PROFESSIONAL SOLICITOR SHALL, AT THE TIME OF
MAKING APPLICATION FOR REGISTRATION AND RENEWAL OF REGISTRATION,
FILE WITH AND HAVE APPROVED BY THE DEPARTMENT A BOND, IN WHICH
IT SHALL BE THE PRINCIPAL OBLIGOR IN THE SUM OF \$25,000, OR A
GREATER AMOUNT AS PRESCRIBED BY THE REGULATIONS OF THE
DEPARTMENT AND WHICH SHALL HAVE ONE OR MORE SURETIES
SATISFACTORY TO THE DEPARTMENT WHOSE LIABILITY IN THE AGGREGATE
AS SUCH SURETIES WILL AT LEAST EQUAL THAT SUM AND MAINTAIN THE
BOND IN EFFECT AS LONG AS THE REGISTRATION IS IN EFFECT. THE
BOND SHALL RUN TO THE COMMONWEALTH FOR USE OF THE SECRETARY,
ATTORNEY GENERAL AND ANY PERSON WHO MAY HAVE A CAUSE OF ACTION
AGAINST THE OBLIGOR FOR ANY LOSSES RESULTING FROM MALFEASANCE,
NONFEASANCE OR MISFEASANCE IN THE CONDUCT OF SOLICITATION
ACTIVITIES. A PROFESSIONAL SOLICITOR WHICH IS A PARTNERSHIP OR
CORPORATION MAY FILE ONE \$25,000 BOND OR AN AMOUNT SPECIFIED BY
REGULATION OF THE DEPARTMENT ON BEHALF OF ALL ITS PARTNERS,
MEMBERS, OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES.

(D) DEPARTMENT REVIEW.--THE DEPARTMENT SHALL EXAMINE EACH

1 REGISTRATION STATEMENT AND SUPPORTING DOCUMENTS FILED BY A
2 PROFESSIONAL SOLICITOR AND SHALL DETERMINE WHETHER THE
3 REGISTRATION REQUIREMENTS ARE SATISFIED. IF THE DEPARTMENT
4 DETERMINES THAT REGISTRATION REQUIREMENTS ARE NOT SATISFIED, THE
5 DEPARTMENT MUST NOTIFY THE PROFESSIONAL SOLICITOR WITHIN TEN
6 WORKING DAYS OF ITS RECEIPT OF ITS REGISTRATION STATEMENT;
7 OTHERWISE THE REGISTRATION STATEMENT IS DEEMED TO BE APPROVED.
8 WITHIN SEVEN DAYS AFTER RECEIPT OF A NOTIFICATION THAT THE
9 REGULATION REQUIREMENTS ARE NOT SATISFIED, THE PROFESSIONAL
10 SOLICITOR MAY REQUEST A HEARING. THE HEARING MUST BE HELD WITHIN
11 SEVEN DAYS OF RECEIPT OF THE REQUEST AND A DETERMINATION MUST BE
12 RENDERED WITHIN THREE WORKING DAYS OF THE HEARING.

13 (E) CONTRACT FILING.--NO LESS THAN TEN WORKING DAYS PRIOR TO
14 THE COMMENCEMENT OF EACH SOLICITATION CAMPAIGN, A PROFESSIONAL
15 SOLICITOR SHALL FILE WITH THE DEPARTMENT A COPY OF THE CONTRACT
16 DESCRIBED IN SUBSECTION (F) AND A WRITTEN SOLICITATION NOTICE.
17 NO SOLICITATION PURSUANT TO THE CONTRACT SHALL BEGIN BEFORE THE
18 DEPARTMENT HAS APPROVED THE CONTRACT PURSUANT TO SUBSECTION (G).
19 THE SOLICITATION NOTICE SHALL BE ACCOMPANIED BY A FEE OF \$25,
20 SHALL BE SIGNED AND SWORN TO BY THE AUTHORIZED CONTRACTING
21 OFFICER FOR THE PROFESSIONAL SOLICITOR AND SHALL CONTAIN ALL OF
22 THE FOLLOWING INFORMATION:

23 (1) A DESCRIPTION OF THE SOLICITATION EVENT OR CAMPAIGN.

24 (2) EACH LOCATION AND TELEPHONE NUMBER FROM WHICH THE
25 SOLICITATION IS TO BE CONDUCTED.

26 (3) THE LEGAL NAME AND RESIDENT ADDRESS OF EACH PERSON
27 RESPONSIBLE FOR DIRECTING AND SUPERVISING THE CONDUCT OF THE
28 CAMPAIGN AND EACH PERSON WHO IS TO SOLICIT DURING SUCH
29 CAMPAIGN.

30 (4) A STATEMENT AS TO WHETHER THE PROFESSIONAL SOLICITOR

1 WILL AT ANY TIME HAVE CUSTODY OF CONTRIBUTIONS.

2 (5) THE ACCOUNT NUMBER AND LOCATION OF EACH BANK ACCOUNT
3 WHERE RECEIPTS FROM THE CAMPAIGN ARE TO BE DEPOSITED.

4 (6) FULL AND FAIR DESCRIPTION OF THE CHARITABLE PROGRAM
5 FOR WHICH THE SOLICITATION CAMPAIGN IS BEING CARRIED OUT.

6 (7) ANY OTHER INFORMATION REQUIRED BY THE REGULATIONS OF
7 THE DEPARTMENT.

8 (F) WRITTEN CONTRACT.--THERE SHALL BE A WRITTEN CONTRACT
9 BETWEEN A PROFESSIONAL SOLICITOR AND A CHARITABLE ORGANIZATION
10 FOR EACH SOLICITATION CAMPAIGN WHICH SHALL BE SIGNED BY TWO
11 AUTHORIZED OFFICIALS OF THE CHARITABLE ORGANIZATION, ONE OF WHOM
12 MUST BE A MEMBER OF THE ORGANIZATION'S GOVERNING BODY, AND THE
13 AUTHORIZED CONTRACTING OFFICER FOR THE PROFESSIONAL SOLICITOR
14 AND WHICH SHALL CONTAIN ALL OF THE FOLLOWING PROVISIONS:

15 (1) A STATEMENT OF THE CHARITABLE PURPOSE FOR WHICH THE
16 SOLICITATION CAMPAIGN IS BEING CONDUCTED.

17 (2) A STATEMENT OF THE RESPECTIVE OBLIGATIONS OF THE
18 PROFESSIONAL SOLICITOR AND THE CHARITABLE ORGANIZATION.

19 (3) A STATEMENT OF THE GUARANTEED MINIMUM PERCENTAGE OF
20 THE GROSS RECEIPTS FROM CONTRIBUTIONS WHICH WILL BE REMITTED
21 TO THE CHARITABLE ORGANIZATION, IF ANY, OR, IF THE
22 SOLICITATION INVOLVES THE SALE OF GOODS, SERVICES OR TICKETS
23 TO A FUNDRAISING EVENT, THE PERCENTAGE OF THE PURCHASE PRICE
24 WHICH WILL BE REMITTED TO THE CHARITABLE ORGANIZATION, IF
25 ANY. ANY STATED PERCENTAGE SHALL EXCLUDE ANY AMOUNT WHICH THE
26 CHARITABLE ORGANIZATION IS TO PAY AS FUNDRAISING COSTS.

27 (4) A STATEMENT OF THE PERCENTAGE OF THE GROSS REVENUE
28 WHICH THE PROFESSIONAL SOLICITOR WILL BE COMPENSATED. IF THE
29 COMPENSATION OF THE PROFESSIONAL SOLICITOR IS NOT CONTINGENT
30 UPON THE NUMBER OF CONTRIBUTIONS OR THE AMOUNT OF REVENUE

1 RECEIVED, HIS COMPENSATION SHALL BE EXPRESSED AS A REASONABLE
2 ESTIMATE OF THE PERCENTAGE OF THE GROSS REVENUE, AND THE
3 CONTRACT SHALL CLEARLY DISCLOSE THE ASSUMPTIONS UPON WHICH
4 THE ESTIMATE IS BASED. THE STATED ASSUMPTIONS SHALL BE BASED
5 UPON ALL OF THE RELEVANT FACTS KNOWN TO THE PROFESSIONAL
6 SOLICITOR REGARDING THE SOLICITATION TO BE CONDUCTED BY THE
7 PROFESSIONAL SOLICITOR.

8 (5) THE EFFECTIVE AND TERMINATION DATES OF THE CONTRACT.

9 (6) ANY OTHER INFORMATION REQUIRED BY THE REGULATIONS OF
10 THE DEPARTMENT.

11 (G) DEPARTMENT REVIEW.--THE DEPARTMENT SHALL EXAMINE EACH
12 CONTRACT AND SOLICITATION NOTICE FILED BY A PROFESSIONAL
13 SOLICITOR AND SHALL DETERMINE WHETHER THE CONTRACT AND NOTICE
14 CONTAIN THE REQUIRED INFORMATION. IF THE DEPARTMENT DETERMINES
15 THAT THE REQUIREMENTS ARE NOT SATISFIED, THE DEPARTMENT MUST
16 NOTIFY THE PROFESSIONAL SOLICITOR WITHIN TEN WORKING DAYS OF ITS
17 RECEIPT OF THE CONTRACT AND NOTICE; OTHERWISE THE CONTRACT AND
18 NOTICE ARE DEEMED TO BE APPROVED. WITHIN SEVEN DAYS AFTER
19 RECEIPT OF A NOTIFICATION THAT THE REQUIREMENTS ARE NOT
20 SATISFIED, THE PROFESSIONAL SOLICITOR MAY REQUEST A HEARING. THE
21 HEARING MUST BE HELD WITHIN SEVEN DAYS OF RECEIPT OF THE REQUEST
22 AND A DETERMINATION MUST BE RENDERED WITHIN THREE WORKING DAYS
23 OF THE HEARING.

24 (H) REQUIRED DISCLOSURES.--PRIOR TO ORALLY REQUESTING A
25 CONTRIBUTION OR CONTEMPORANEOUSLY WITH A WRITTEN REQUEST FOR A
26 CONTRIBUTION, A PROFESSIONAL SOLICITOR SHALL BE RESPONSIBLE FOR
27 CLEARLY AND CONSPICUOUSLY DISCLOSING:

28 (1) THE NAME OF THE PROFESSIONAL SOLICITOR AS ON FILE
29 WITH THE DEPARTMENT AND THAT THE SOLICITATION IS BEING
30 CONDUCTED BY A PROFESSIONAL SOLICITOR WHO IS BEING PAID FOR

1 HIS SERVICES.

2 (2) IF THE INDIVIDUAL ACTING ON BEHALF OF THE
3 PROFESSIONAL SOLICITOR IDENTIFIES HIMSELF BY NAME, THE
4 INDIVIDUAL'S LEGAL NAME.

5 (3) THE NAME OF THE CHARITABLE ORGANIZATION AND A
6 DESCRIPTION OF HOW THE CONTRIBUTIONS RAISED BY THE
7 SOLICITATION WILL BE UTILIZED FOR A CHARITABLE PURPOSE, OR IF
8 THERE IS NO CHARITABLE ORGANIZATION, A DESCRIPTION AS TO HOW
9 THE CONTRIBUTIONS RAISED BY THE SOLICITATION WILL BE UTILIZED
10 FOR A CHARITABLE PURPOSE.

11 (I) RESPONSES.--ANY RESPONSES GIVEN BY OR ON BEHALF OF A
12 PROFESSIONAL SOLICITOR TO AN ORAL OR WRITTEN REQUEST FOR
13 INFORMATION SHALL BE TRUTHFUL.

14 (J) INFORMATION ON DISCLOSURE.--IN THE CASE OF A
15 SOLICITATION CAMPAIGN CONDUCTED ORALLY, WHETHER BY TELEPHONE OR
16 OTHERWISE, ANY WRITTEN CONFIRMATION OR RECEIPT OR REMINDER SENT
17 TO ANY PERSON WHO HAS CONTRIBUTED OR HAS PLEDGED TO CONTRIBUTE,
18 SHALL INCLUDE A CLEAR AND CONSPICUOUS DISCLOSURE OF THE
19 INFORMATION REQUIRED BY SUBSECTION (H).

20 (K) NOTICE.--IN ADDITION TO THE INFORMATION REQUIRED BY
21 SUBSECTION (J), ANY WRITTEN CONFIRMATION, RECEIPT OR REMINDER OF
22 A CONTRIBUTION MADE PURSUANT TO AN ORAL SOLICITATION AND ANY
23 WRITTEN SOLICITATION SHALL CONSPICUOUSLY STATE:

24 "A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL
25 INFORMATION MAY BE OBTAINED FROM THE PENNSYLVANIA
26 DEPARTMENT OF STATE BY CALLING TOLL FREE, WITHIN
27 PENNSYLVANIA, 1 (800) 000-0000. REGISTRATION DOES NOT
28 IMPLY ENDORSEMENT."

29 (L) FINANCIAL REPORTS.--WITHIN 90 DAYS AFTER A SOLICITATION
30 CAMPAIGN HAS BEEN COMPLETED, AND ON THE ANNIVERSARY OF THE

1 COMMENCEMENT OF A SOLICITATION CAMPAIGN LASTING MORE THAN ONE
2 YEAR, A PROFESSIONAL SOLICITOR SHALL FILE WITH THE DEPARTMENT A
3 FINANCIAL REPORT FOR THE CAMPAIGN, INCLUDING GROSS REVENUE AND
4 AN ITEMIZATION OF ALL EXPENSES INCURRED. THIS REPORT SHALL BE
5 SIGNED AND SWORN TO BY THE AUTHORIZED CONTRACTING AGENT FOR THE
6 PROFESSIONAL SOLICITOR AND TWO AUTHORIZED OFFICIALS OF THE
7 CHARITABLE ORGANIZATION.

8 (M) RETENTION OF RECORDS, ETC.--A PROFESSIONAL SOLICITOR
9 SHALL MAINTAIN DURING EACH SOLICITATION CAMPAIGN AND FOR NOT
10 LESS THAN THREE YEARS AFTER THE COMPLETION OF SUCH CAMPAIGN THE
11 FOLLOWING RECORDS, WHICH SHALL BE AVAILABLE FOR INSPECTION UPON
12 DEMAND BY THE DEPARTMENT OR THE OFFICE OF ATTORNEY GENERAL:

13 (1) THE DATE AND AMOUNT OF EACH CONTRIBUTION RECEIVED
14 AND THE NAME AND ADDRESS OF EACH CONTRIBUTOR.

15 (2) THE NAME AND RESIDENCE OF EACH EMPLOYEE, AGENT OR
16 OTHER PERSON INVOLVED IN THE SOLICITATION.

17 (3) RECORDS OF ALL REVENUE RECEIVED AND EXPENSES
18 INCURRED IN THE COURSE OF THE SOLICITATION CAMPAIGN.

19 (4) THE LOCATION AND ACCOUNT NUMBER OF EACH BANK OR
20 OTHER FINANCIAL INSTITUTION ACCOUNT IN WHICH THE PROFESSIONAL
21 SOLICITOR HAS DEPOSITED REVENUE FROM THE SOLICITATION
22 CAMPAIGN.

23 (N) RECORDS FROM TICKET SALES.--IF THE PROFESSIONAL
24 SOLICITOR SELLS TICKETS TO AN EVENT AND REPRESENTS THAT TICKETS
25 WILL BE DONATED FOR USE BY ANOTHER, THE PROFESSIONAL SOLICITOR
26 SHALL MAINTAIN, FOR NOT LESS THAN THREE YEARS AFTER THE
27 COMPLETION OF SUCH EVENT, THE FOLLOWING RECORDS, WHICH SHALL BE
28 AVAILABLE FOR INSPECTION UPON DEMAND BY THE DEPARTMENT OR THE
29 OFFICE OF ATTORNEY GENERAL:

30 (1) THE NUMBER OF TICKETS PURCHASED AND DONATED BY EACH

1 CONTRIBUTOR.

2 (2) THE NAME AND ADDRESS OF ALL ORGANIZATIONS RECEIVING
3 DONATED TICKETS FOR USE BY OTHERS, INCLUDING THE NUMBER OF
4 TICKETS RECEIVED BY EACH ORGANIZATION.

5 (O) DEPOSIT OF CONTRIBUTIONS.--EACH CONTRIBUTION IN THE
6 CONTROL OR CUSTODY OF THE PROFESSIONAL SOLICITOR SHALL, IN ITS
7 ENTIRETY AND WITHIN FIVE DAYS OF ITS RECEIPT, BE DEPOSITED IN AN
8 ACCOUNT AT A BANK OR OTHER FEDERALLY INSURED FINANCIAL
9 INSTITUTION. THE ACCOUNT SHALL BE IN THE NAME OF THE CHARITABLE
10 ORGANIZATION WITH WHOM THE PROFESSIONAL SOLICITOR HAS CONTRACTED
11 AND THE CHARITABLE ORGANIZATION SHALL HAVE SOLE CONTROL OVER ALL
12 WITHDRAWALS FROM THE ACCOUNT.

13 (P) UPDATING OF INFORMATION.--ANY MATERIAL CHANGE IN ANY
14 INFORMATION FILED WITH THE DEPARTMENT PURSUANT TO THIS SECTION
15 SHALL BE REPORTED IN WRITING BY THE PROFESSIONAL SOLICITOR TO
16 THE DEPARTMENT NOT MORE THAN SEVEN DAYS AFTER SUCH CHANGE
17 OCCURS.

18 (Q) RESTRICTIONS.--NO PERSON MAY ACT AS A PROFESSIONAL
19 SOLICITOR IF SUCH PERSON, ANY OFFICER OR DIRECTOR THEREOF, ANY
20 PERSON WITH A CONTROLLING INTEREST THEREIN, OR ANY PERSON THE
21 PROFESSIONAL SOLICITOR EMPLOYS, ENGAGES OR PROCURES TO SOLICIT
22 FOR COMPENSATION, HAS BEEN CONVICTED BY A COURT OF ANY STATE OR
23 THE UNITED STATES OF ANY FELONY, OR OF ANY MISDEMEANOR INVOLVING
24 DISHONESTY OR ARISING FROM THE CONDUCT OF A SOLICITATION FOR A
25 CHARITABLE ORGANIZATION OR PURPOSE.

26 SECTION 10. CONTRACTS VOIDABLE BY CHARITABLE ORGANIZATIONS.

27 (A) CONTRACTS WITH REGISTERED GROUPS.--NO PROFESSIONAL
28 FUNDRAISING COUNSEL OR PROFESSIONAL SOLICITOR SHALL CONTRACT
29 WITH A CHARITABLE ORGANIZATION UNLESS SUCH PROFESSIONAL
30 FUNDRAISING COUNSEL OR PROFESSIONAL SOLICITOR IS REGISTERED WITH

1 THE DEPARTMENT. A CONTRACT WITH AN UNREGISTERED PROFESSIONAL
2 FUNDRAISING COUNSEL OR PROFESSIONAL SOLICITOR SHALL BE VOIDABLE
3 AT THE OPTION OF THE CHARITABLE ORGANIZATION.

4 (B) CANCELLATION OF CONTRACT.--WHENEVER A CHARITABLE
5 ORGANIZATION CONTRACTS WITH A PROFESSIONAL FUNDRAISING COUNSEL
6 OR PROFESSIONAL SOLICITOR, THE CHARITABLE ORGANIZATION SHALL
7 HAVE THE RIGHT TO CANCEL THE CONTRACT WITHOUT COST, PENALTY OR
8 LIABILITY FOR A PERIOD OF TEN DAYS FOLLOWING THE DATE ON WHICH
9 THAT CONTRACT IS EXECUTED. ANY PROVISION IN THE CONTRACT THAT IS
10 INTENDED TO WAIVE THIS RIGHT OF CANCELLATION SHALL BE VOID AND
11 UNENFORCEABLE.

12 (C) MANNER OF CANCELLATION.--A CHARITABLE ORGANIZATION MAY
13 CANCEL A CONTRACT PURSUANT TO SUBSECTION (B) BY A WRITTEN NOTICE
14 OF CANCELLATION. IF MAILED, CANCELLATION SHALL BE DEEMED
15 EFFECTIVE WHEN DEPOSITED WITH THE UNITED STATES POSTAL SERVICE,
16 PROPERLY ADDRESSED AND POSTAGE PREPAID. THE NOTICE SHALL BE
17 SUFFICIENT IF IT INDICATES THAT THE CHARITABLE ORGANIZATION DOES
18 NOT INTEND TO BE BOUND BY THE CONTRACT.

19 (D) CANCELLATION NOTICE TO DEPARTMENT.--WHENEVER A
20 CHARITABLE ORGANIZATION CANCELS A CONTRACT PURSUANT TO THE
21 PROVISIONS OF THIS SECTION, IT SHALL MAIL A DUPLICATE COPY OF
22 THE NOTICE OF CANCELLATION TO THE DEPARTMENT.

23 (E) STATUS OF FUNDS AFTER CANCELLATION.--ANY FUNDS COLLECTED
24 AFTER A CONTRACT HAS BEEN CANCELED SHALL BE DEEMED TO BE HELD IN
25 TRUST FOR THE BENEFIT OF THE CHARITABLE ORGANIZATION WITHOUT
26 DEDUCTION FOR COST OR EXPENSES OF ANY NATURE. A CHARITABLE
27 ORGANIZATION SHALL BE ENTITLED TO RECOVER ALL FUNDS COLLECTED
28 AFTER THE DATE OF CANCELLATION.

29 SECTION 11. INFORMATION FILED TO BECOME PUBLIC RECORDS.

30 EXCEPT AS OTHERWISE PROVIDED IN SECTION 12, REGISTRATION

1 STATEMENTS AND APPLICATIONS, REPORTS, NOTICES, CONTRACTS OR
2 AGREEMENTS BETWEEN CHARITABLE ORGANIZATIONS AND PROFESSIONAL
3 FUNDRAISING COUNSEL, PROFESSIONAL SOLICITORS AND COMMERCIAL CO-
4 VENTURERS, AND ALL OTHER DOCUMENTS AND INFORMATION REQUIRED TO
5 BE FILED UNDER THIS ACT WITH THE DEPARTMENT SHALL BECOME PUBLIC
6 RECORDS IN THE OFFICE OF THE BUREAU AND SHALL BE OPEN TO THE
7 GENERAL PUBLIC AT SUCH TIME AND UNDER SUCH CONDITIONS AS THE
8 DEPARTMENT MAY PRESCRIBE.

9 SECTION 12. RECORDS TO BE KEPT BY CHARITABLE ORGANIZATIONS,
10 PROFESSIONAL FUNDRAISING COUNSELS AND
11 PROFESSIONAL SOLICITORS; INSPECTION; RETENTION.

12 EVERY CHARITABLE ORGANIZATION, PROFESSIONAL FUNDRAISING
13 COUNSEL, AND PROFESSIONAL SOLICITOR SUBJECT TO THE PROVISIONS OF
14 THIS ACT SHALL, IN ACCORDANCE WITH THE RULES AND REGULATIONS
15 PRESCRIBED BY THE DEPARTMENT, KEEP TRUE FISCAL RECORDS AS TO ITS
16 ACTIVITIES IN THIS COMMONWEALTH AS MAY BE COVERED UNDER THIS
17 ACT, IN SUCH FORM AS WILL ENABLE THEM ACCURATELY TO PROVIDE THE
18 INFORMATION REQUIRED UNDER THIS ACT. SUCH RECORDS SHALL BE MADE
19 AVAILABLE FOR INSPECTION UPON DEMAND BY THE DEPARTMENT OR THE
20 OFFICE OF ATTORNEY GENERAL. HOWEVER, NAMES, ADDRESSES AND
21 IDENTITIES OF CONTRIBUTORS AND AMOUNTS CONTRIBUTED BY THEM SHALL
22 NOT BE CONSIDERED A MATTER OF PUBLIC RECORD AND, THEREFORE,
23 SHALL NOT GENERALLY BE MADE AVAILABLE FOR PUBLIC INSPECTION,
24 SHALL NOT BE USED FOR A PURPOSE INCONSISTENT WITH THIS ACT, AND
25 SHALL BE REMOVED FROM THE RECORDS IN THE CUSTODY OF THE
26 DEPARTMENT AT SUCH TIME THAT SUCH INFORMATION IS NO LONGER
27 NECESSARY FOR THE ENFORCEMENT OF THIS ACT. SUCH RECORDS SHALL BE
28 MAINTAINED FOR A PERIOD OF AT LEAST THREE YEARS AFTER THE END OF
29 THE PERIOD OF REGISTRATION TO WHICH THEY RELATE.

30 SECTION 13. LIMITATION ON ACTIVITIES OF CHARITABLE

1 ORGANIZATIONS; DISCLOSURE REQUIREMENTS.

2 (A) SOLICITATION LIMITATION.--A CHARITABLE ORGANIZATION MAY
3 ONLY SOLICIT CONTRIBUTIONS FOR THE CHARITABLE PURPOSE EXPRESSED
4 IN SOLICITATION FOR CONTRIBUTIONS OR THE REGISTRATION STATEMENT
5 OF THE CHARITABLE ORGANIZATION AND MAY ONLY APPLY CONTRIBUTIONS
6 IN A MANNER SUBSTANTIALLY CONSISTENT WITH THAT PURPOSE.

7 (B) SOLICITATION DISCLOSURES.--A CHARITABLE ORGANIZATION
8 SOLICITING IN THIS COMMONWEALTH SHALL INCLUDE ALL OF THE
9 FOLLOWING DISCLOSURES AT THE POINT OF SOLICITATION:

10 (1) ITS IDENTITY AND LOCATION AND, IF DIFFERENT, THE
11 NAME AND ADDRESS OF THE CHARITABLE ORGANIZATION ON WHOSE
12 BEHALF THE SOLICITATION IS BEING CONDUCTED.

13 (2) IF REQUESTED, THE NAME, AND ADDRESS OR TELEPHONE
14 NUMBER OF A REPRESENTATIVE TO WHOM INQUIRIES COULD BE
15 ADDRESSED.

16 (3) A FULL AND FAIR DESCRIPTION OF THE CHARITABLE
17 PURPOSE OR PURPOSES FOR WHICH THE SOLICITATION IS BEING MADE,
18 AND A SOURCE FROM WHICH WRITTEN INFORMATION IS AVAILABLE.

19 (4) IF REQUESTED, THE SOURCE FROM WHICH A FINANCIAL
20 STATEMENT MAY BE OBTAINED. SUCH FINANCIAL STATEMENT SHALL BE
21 CONSISTENT WITH THE ANNUAL FINANCIAL REPORT REQUESTED UNDER
22 SECTION 5 AND SHALL DISCLOSE ASSETS, LIABILITIES, FUND
23 BALANCES, REVENUE AND EXPENSES FOR THE PRECEDING FISCAL YEAR.
24 EXPENSES SHALL BE SEPARATED INTO PROGRAM SERVICES,
25 ADMINISTRATIVE COSTS AND FUNDRAISING COSTS.

26 (C) NOTICE ON PRINTED SOLICITATION.--ON EVERY PRINTED
27 SOLICITATION OR WRITTEN CONFIRMATION, RECEIPT, OR REMINDER OF A
28 CONTRIBUTION, THE FOLLOWING STATEMENT MUST BE CONSPICUOUSLY
29 PRINTED:

30 "A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL

1 INFORMATION MAY BE OBTAINED FROM THE PENNSYLVANIA
2 DEPARTMENT OF STATE BY CALLING TOLL FREE, WITHIN
3 PENNSYLVANIA, 1 (800) 000-0000. REGISTRATION DOES NOT
4 IMPLY ENDORSEMENT."

5 (D) MISREPRESENTATION.--A CHARITABLE ORGANIZATION MAY NOT
6 MISREPRESENT ITS PURPOSE OR NATURE, OR THE PURPOSE OR
7 BENEFICIARY OF A SOLICITATION. A MISREPRESENTATION MAY BE
8 ACCOMPLISHED BY WORDS OR CONDUCT OR FAILURE TO DISCLOSE A
9 MATERIAL FACT.

10 (E) CONTROL OVER FUNDRAISING ACTIVITIES.--A CHARITABLE
11 ORGANIZATION MUST ESTABLISH AND EXERCISE CONTROL OVER
12 FUNDRAISING ACTIVITIES CONDUCTED FOR ITS BENEFIT, INCLUDING
13 APPROVAL OF ALL WRITTEN CONTRACTS AND AGREEMENTS, AND MUST
14 ASSURE THAT FUNDRAISING ACTIVITIES ARE CONDUCTED WITHOUT
15 COERCION.

16 (F) RESTRICTIONS ON CERTAIN CONTRACTS.--A CHARITABLE
17 ORGANIZATION SHALL NOT ENTER INTO ANY CONTRACT OR AGREEMENT WITH
18 OR EMPLOY ANY PROFESSIONAL FUNDRAISING COUNSEL OR PROFESSIONAL
19 SOLICITOR UNLESS THAT PROFESSIONAL FUNDRAISING COUNSEL OR
20 PROFESSIONAL SOLICITOR IS REGISTERED WITH THE DEPARTMENT.

21 (G) REGISTRATION WITH DEPARTMENT REQUIRED.--A CHARITABLE
22 ORGANIZATION SHALL NOT ENTER INTO ANY CONTRACT OR AGREEMENT WITH
23 OR RAISE ANY FUNDS FOR ANY CHARITABLE ORGANIZATION REQUIRED TO
24 BE REGISTERED PURSUANT TO THIS ACT UNLESS SUCH CHARITABLE
25 ORGANIZATION IS REGISTERED WITH THE DEPARTMENT.

26 SECTION 14. RECIPROCAL AGREEMENTS.

27 THE SECRETARY MAY ENTER INTO RECIPROCAL AGREEMENTS WITH THE
28 APPROPRIATE AUTHORITY OF ANY OTHER STATE FOR THE PURPOSE OF
29 EXCHANGING INFORMATION WITH RESPECT TO CHARITABLE ORGANIZATIONS,
30 PROFESSIONAL FUNDRAISING COUNSEL AND PROFESSIONAL SOLICITORS.

1 PURSUANT TO SUCH AGREEMENTS, THE SECRETARY MAY ACCEPT
2 INFORMATION FILED BY A CHARITABLE ORGANIZATION, PROFESSIONAL
3 FUNDRAISING COUNSEL OR PROFESSIONAL SOLICITOR WITH THE
4 APPROPRIATE AUTHORITY OF ANOTHER STATE IN LIEU OF THE
5 INFORMATION REQUIRED TO BE FILED IN ACCORDANCE WITH THIS ACT, IF
6 SUCH INFORMATION IS SUBSTANTIALLY SIMILAR TO THE INFORMATION
7 REQUIRED UNDER THIS ACT. THE SECRETARY MAY ALSO GRANT EXEMPTIONS
8 FROM THE REQUIREMENTS FOR THE FILING OF ANNUAL REGISTRATION
9 STATEMENTS WITH THE DEPARTMENT TO CHARITABLE ORGANIZATIONS
10 ORGANIZED UNDER THE LAWS OF ANOTHER STATE HAVING THEIR PRINCIPAL
11 PLACE OF BUSINESS OUTSIDE THIS COMMONWEALTH WHOSE FUNDS ARE
12 DERIVED PRINCIPALLY FROM SOURCES OUTSIDE THIS COMMONWEALTH AND
13 WHICH HAVE BEEN EXEMPTED FROM THE FILING OF REGISTRATION
14 STATEMENTS BY THE STATUTE UNDER WHOSE LAWS THEY ARE ORGANIZED IF
15 SUCH STATE HAS A STATUTE SIMILAR IN SUBSTANCE TO THE PROVISIONS
16 OF THIS ACT.

17 SECTION 15. PROHIBITED ACTS.

18 (A) GENERAL RULE.--REGARDLESS OF A PERSON'S INTENT OR THE
19 LACK OF INJURY, THE FOLLOWING ACTS AND PRACTICES ARE PROHIBITED
20 IN THE PLANNING, CONDUCT OR EXECUTION OF ANY SOLICITATION OR
21 CHARITABLE SALES PROMOTION:

22 (1) OPERATING IN VIOLATION OF, OR FAILING TO COMPLY
23 WITH, ANY OF THE REQUIREMENTS OF THIS ACT, REGULATIONS OF THE
24 DEPARTMENT OR AN ORDER OF THE SECRETARY, OR SOLICITING
25 CONTRIBUTIONS AFTER REGISTRATION WITH THE DEPARTMENT HAS
26 EXPIRED OR HAS BEEN SUSPENDED OR REVOKED OR SOLICITING
27 CONTRIBUTIONS PRIOR TO THE SOLICITATION NOTICE AND CONTRACT
28 HAVING BEEN APPROVED BY THE DEPARTMENT.

29 (2) UTILIZING ANY UNFAIR OR DECEPTIVE ACTS OR PRACTICES
30 OR ENGAGING IN ANY FRAUDULENT CONDUCT WHICH CREATES A

1 LIKELIHOOD OF CONFUSION OR OF MISUNDERSTANDING.

2 (3) UTILIZING ANY REPRESENTATION THAT IMPLIES THE
3 CONTRIBUTION IS FOR OR ON BEHALF OF A CHARITABLE
4 ORGANIZATION, OR UTILIZING ANY EMBLEM, DEVICE OR PRINTED
5 MATTER BELONGING TO OR ASSOCIATED WITH A CHARITABLE
6 ORGANIZATION WITHOUT FIRST BEING AUTHORIZED IN WRITING TO DO
7 SO BY THE CHARITABLE ORGANIZATION.

8 (4) UTILIZING A NAME, SYMBOL OR STATEMENT SO CLOSELY
9 RELATED OR SIMILAR TO THAT USED BY ANOTHER CHARITABLE
10 ORGANIZATION OR OTHER PERSON THAT THE USE THEREOF WOULD TEND
11 TO CONFUSE OR MISLEAD A SOLICITED PERSON.

12 (5) MISREPRESENTING OR MISLEADING ANYONE IN ANY MANNER
13 TO BELIEVE THAT THE PERSON ON WHOSE BEHALF A SOLICITATION OR
14 CHARITABLE SALES PROMOTION IS BEING CONDUCTED IS A CHARITABLE
15 ORGANIZATION OR THAT THE PROCEEDS OF SUCH SOLICITATION OR
16 CHARITABLE SALES PROMOTION WILL BE USED FOR CHARITABLE
17 PURPOSES WHEN SUCH IS NOT THE FACT.

18 (6) MISREPRESENTING OR MISLEADING ANYONE IN ANY MANNER
19 TO BELIEVE THAT ANY OTHER PERSON SPONSORS, ENDORSES OR
20 APPROVES SUCH SOLICITATION OR CHARITABLE SALES PROMOTION WHEN
21 SUCH OTHER PERSON HAS NOT GIVEN CONSENT IN WRITING TO THE USE
22 OF HIS NAME FOR THESE PURPOSES.

23 (7) MISREPRESENTING OR MISLEADING ANYONE IN ANY MANNER
24 TO BELIEVE THAT GOODS OR SERVICES HAVE SPONSORSHIP, APPROVAL,
25 CHARACTERISTICS, INGREDIENTS, USES, BENEFITS OR QUALITIES
26 THAT THEY DO NOT HAVE OR THAT A PERSON HAS A SPONSORSHIP,
27 APPROVAL, STATUS, AFFILIATION OR CONNECTION THAT HE DOES NOT
28 HAVE.

29 (8) UTILIZING OR EXPLOITING THE FACT OF REGISTRATION SO
30 AS TO LEAD ANY PERSON TO BELIEVE THAT SUCH REGISTRATION IN

1 ANY MANNER CONSTITUTES AN ENDORSEMENT OR APPROVAL BY THE
2 COMMONWEALTH. THE USE OF THE FOLLOWING STATEMENT SHALL NOT BE
3 DEEMED A PROHIBITED EXPLOITATION:

4 "A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL
5 INFORMATION MAY BE OBTAINED FROM THE PENNSYLVANIA
6 DEPARTMENT OF STATE BY CALLING TOLL FREE, WITHIN
7 PENNSYLVANIA, 1 (800) 000-0000. REGISTRATION DOES NOT
8 IMPLY ENDORSEMENT."

9 (9) REPRESENTING DIRECTLY OR BY IMPLICATION THAT A
10 CHARITABLE ORGANIZATION WILL RECEIVE AN AMOUNT GREATER THAN
11 THE ACTUAL NET PROCEEDS REASONABLY ESTIMATED TO BE RETAINED
12 BY THE CHARITY FOR ITS USE.

13 (10) WITH RESPECT TO SOLICITATIONS BY OR ON BEHALF OF
14 LAW ENFORCEMENT PERSONNEL, FIREFIGHTERS, OR OTHER PERSONS WHO
15 PROTECT THE PUBLIC SAFETY, ISSUING, OFFERING, GIVING,
16 DELIVERING OR DISTRIBUTING ANY HONORARY MEMBERSHIP CARDS,
17 COURTESY CARDS OR SIMILAR CARDS, OR ANY STICKERS, EMBLEMS,
18 PLATES OR OTHER SUCH ITEMS WHICH COULD BE USED FOR DISPLAY ON
19 A MOTOR VEHICLE.

20 (11) (I) SOLICITING FOR ADVERTISING TO APPEAR IN A FOR-
21 PROFIT PUBLICATION WHICH RELATES TO, PURPORTS TO RELATE
22 TO, OR WHICH COULD REASONABLY BE CONSTRUED TO RELATE TO
23 ANY CHARITABLE PURPOSE WITHOUT MAKING THE FOLLOWING
24 DISCLOSURES AT THE TIME OF SOLICITATION:

25 (A) THE PUBLICATION IS A FOR-PROFIT, COMMERCIAL
26 ENTERPRISE.

27 (B) TRUE NAME OF THE SOLICITOR AND THE FACT THAT
28 THE SOLICITOR IS A PROFESSIONAL SOLICITOR.

29 (C) THE PUBLICATION IS NOT DIRECTLY AFFILIATED
30 OR SPONSORED BY ANY CHARITABLE ORGANIZATION.

1 (II) WHERE A SALE OF ADVERTISING HAS BEEN MADE, THE
2 SOLICITOR, PRIOR TO ACCEPTING ANY MONEY FOR THE SALE,
3 SHALL PRESENT THE PURCHASER WITH THE SAME DISCLOSURES, IN
4 WRITTEN FORM AND IN CONSPICUOUS TYPE.

5 (12) REPRESENTING THAT ANY PART OF THE CONTRIBUTIONS
6 RECEIVED WILL BE GIVEN OR DONATED TO ANY OTHER CHARITABLE
7 ORGANIZATION UNLESS SUCH ORGANIZATION HAS CONSENTED TO THE
8 USE OF ITS NAME PRIOR TO THE SOLICITATION. THE WRITTEN
9 CONSENT SHALL BE SIGNED BY ANY TWO AUTHORIZED OFFICERS,
10 DIRECTORS OR TRUSTEES OF THE CHARITABLE ORGANIZATION.

11 (13) REPRESENTING THAT TICKETS TO EVENTS WILL BE DONATED
12 FOR USE BY ANOTHER, UNLESS ALL OF THE FOLLOWING REQUIREMENTS
13 HAVE BEEN MET:

14 (I) THE CHARITABLE ORGANIZATION OR PROFESSIONAL
15 SOLICITOR SHALL HAVE COMMITMENTS, IN WRITING, FROM
16 CHARITABLE ORGANIZATIONS STATING THAT THEY WILL ACCEPT
17 DONATED TICKETS AND SPECIFYING THE NUMBER OF TICKETS THEY
18 ARE WILLING TO ACCEPT.

19 (II) THE CHARITABLE ORGANIZATION OR PROFESSIONAL
20 SOLICITOR SHALL NOT SOLICIT OR ACCEPT MORE CONTRIBUTIONS
21 OF DONATED TICKETS THAN THE LESSER OF:

22 (A) THE NUMBER OF TICKET COMMITMENTS IT HAS
23 RECEIVED FROM CHARITABLE ASSOCIATIONS; OR

24 (B) THE TOTAL ATTENDANCE CAPACITY OF THE SITE OF
25 THE EVENT.

26 (III) A TICKET COMMITMENT ALONE, AS DESCRIBED IN
27 THIS SUBSECTION, SHALL NOT CONSTITUTE WRITTEN CONSENT TO
28 USE THE ORGANIZATION'S NAME IN THE SOLICITATION CAMPAIGN.

29 (B) CRITERIA TO DETERMINE UNFAIRNESS.--IN DETERMINING
30 WHETHER OR NOT A PRACTICE IS UNFAIR, DECEPTIVE, FRAUDULENT OR

1 MISLEADING UNDER THIS SECTION, DEFINITIONS, STANDARDS OR
2 INTERPRETATIONS RELATING THERETO UNDER THE ACT OF DECEMBER 17,
3 1968 (P.L.1224, NO.387), KNOWN AS THE UNFAIR TRADE PRACTICES AND
4 CONSUMER PROTECTION LAW, SHALL APPLY.

5 SECTION 16. INVESTIGATION; SUBPOENAS; INJUNCTIONS; COURT
6 ORDERS.

7 (A) PERMISSIBLE INVESTIGATIONS.--THE ATTORNEY GENERAL, THE
8 SECRETARY OR THE DISTRICT ATTORNEY MAY MAKE OR CAUSE TO BE MADE
9 AN INVESTIGATION OF ANY PERSON AS DEEMED NECESSARY. IN
10 CONDUCTING SUCH INVESTIGATION, HE MAY:

11 (1) REQUIRE OR PERMIT ANY PERSON TO FILE A STATEMENT IN
12 WRITING, UNDER OATH OR OTHERWISE, AS TO ALL THE FACTS AND
13 CIRCUMSTANCES CONCERNING THE MATTER TO BE INVESTIGATED.

14 (2) ADMINISTER OATHS OR AFFIRMATIONS.

15 (3) TAKE TESTIMONY UNDER OATH.

16 (4) REQUIRE THE ATTENDANCE AND TESTIMONY OF WITNESSES
17 AND THE PRODUCTION OF ANY BOOKS, ACCOUNTS, PAPERS, RECORDS,
18 DOCUMENTS, AUDITS AND FILES RELATING TO ANY SOLICITATION OR
19 ANY PRACTICE SUBJECT TO THIS ACT OR THE REGULATIONS OF THE
20 DEPARTMENT.

21 (5) ISSUE SUBPOENAS.

22 (6) CONDUCT PRIVATE OR PUBLIC HEARINGS.

23 (7) EXAMINE WITNESSES AND RECEIVE EVIDENCE DURING ANY
24 INVESTIGATION OR PUBLIC OR PRIVATE HEARINGS.

25 (B) NOTICE.--NOTICE OF THE TIME AND PLACE FOR THE
26 EXAMINATION OF DOCUMENTARY MATERIAL SHALL BE GIVEN BY THE
27 ATTORNEY GENERAL, THE SECRETARY OR THE DISTRICT ATTORNEY AT
28 LEAST TEN DAYS PRIOR TO THE DATE OF SUCH EXAMINATION OR TAKING
29 OF TESTIMONY.

30 (C) CONTENTS OF NOTICE.--EACH NOTICE SHALL:

1 (1) STATE THE TIME AND PLACE FOR THE TAKING OF TESTIMONY
2 OR THE EXAMINATION AND THE NAME AND ADDRESS OF THE PERSON TO
3 BE EXAMINED, IF KNOWN, AND IF THE NAME IS NOT KNOWN, A
4 GENERAL DESCRIPTION SUFFICIENT TO IDENTIFY HIM OR THE
5 PARTICULAR CLASS OR GROUP TO WHICH HE BELONGS.

6 (2) STATE THE STATUTE THEREOF, IF ANY, OF THE ALLEGED
7 VIOLATION WHICH IS UNDER INVESTIGATION AND STATE THE GENERAL
8 SUBJECT MATTER OF THE INVESTIGATION.

9 (3) DESCRIBE THE CLASS OR CLASSES OF DOCUMENTARY
10 MATERIAL TO BE PRODUCED THEREUNDER WITH REASONABLE
11 SPECIFICITY, SO AS FAIRLY TO INDICATE THE MATERIAL DEMANDED.

12 (4) PRESCRIBE A RETURN DATE WITHIN WHICH THE DOCUMENTARY
13 MATERIAL IS TO BE PRODUCED.

14 (5) IDENTIFY THE MEMBERS OF THE OFFICE OF ATTORNEY
15 GENERAL'S STAFF, THE SECRETARY'S STAFF OR THE DISTRICT
16 ATTORNEY'S STAFF TO WHOM SUCH DOCUMENTARY MATERIAL IS TO BE
17 MADE AVAILABLE FOR INSPECTION AND COPYING.

18 (D) RESTRICTIONS ON NOTICES.--NO SUCH NOTICE SHALL CONTAIN
19 ANY REQUIREMENT WHICH WOULD BE UNREASONABLE OR IMPROPER IF
20 CONTAINED IN A SUBPOENA DUCES TECUM ISSUED BY A COURT OF THE
21 COMMONWEALTH.

22 (E) RESTRICTION ON MATERIALS.--

23 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), ANY DOCUMENTARY
24 MATERIAL OR OTHER INFORMATION PRODUCED BY ANY PERSON PURSUANT
25 TO THIS SECTION SHALL NOT, UNLESS OTHERWISE ORDERED BY ANY
26 COURT OF COMPETENT JURISDICTION FOR GOOD CAUSE SHOWN, BE
27 PRODUCED FOR INSPECTION OR COPYING BY OR BE DISCLOSED TO ANY
28 PERSON OTHER THAN THE AUTHORIZED REPRESENTATIVE OF THE
29 ATTORNEY GENERAL, THE SECRETARY OR THE DISTRICT ATTORNEY
30 WITHOUT THE CONSENT OF THE PERSON WHO PRODUCED SUCH MATERIAL.

1 (2) UNDER SUCH REASONABLE TERMS AND CONDITIONS THAT THE
2 ATTORNEY GENERAL, SECRETARY OR THE DISTRICT ATTORNEY SHALL
3 PRESCRIBE, DOCUMENTARY MATERIAL IN PARAGRAPH (1) SHALL BE
4 AVAILABLE FOR INSPECTION AND COPYING BY THE PERSON WHO
5 PRODUCED SUCH MATERIAL OR ANY DULY AUTHORIZED REPRESENTATIVE
6 OF SUCH PERSON. THE ATTORNEY GENERAL, THE SECRETARY OR THE
7 DISTRICT ATTORNEY OR HIS DULY AUTHORIZED REPRESENTATIVE MAY
8 USE SUCH DOCUMENTARY MATERIAL OR COPIES THEREOF AS HE
9 DETERMINES NECESSARY IN THE ENFORCEMENT OF THIS ACT,
10 INCLUDING PRESENTATION IN ANY SUBSEQUENT ADMINISTRATIVE OR
11 JUDICIAL PROCEEDING.

12 (F) COMPLIANCE.--ANY PERSON UPON WHOM A NOTICE IS SERVED
13 PURSUANT TO THIS SECTION SHALL COMPLY WITH THE TERMS THEREOF
14 UNLESS OTHERWISE PROVIDED BY AN ORDER OF COURT. ANY PERSON WHO
15 FAILS TO APPEAR, OR WITH INTENT TO AVOID, EVADE, OR PREVENT
16 COMPLIANCE, IN WHOLE OR IN PART, WITH ANY CIVIL INVESTIGATION
17 UNDER THIS ACT, REMOVES FROM ANY PLACE, CONCEALS, WITHHOLDS, OR
18 DESTROYS, MUTILATES, ALTERS, OR BY ANY OTHER MEANS FALSIFIES ANY
19 DOCUMENTARY MATERIAL IN THE POSSESSION, CUSTODY OR CONTROL OF
20 ANY PERSON SUBJECT TO ANY NOTICE, OR KNOWINGLY CONCEALS ANY
21 RELEVANT INFORMATION, SHALL BE ASSESSED A CIVIL PENALTY OF NOT
22 MORE THAN \$5,000. THE ATTORNEY GENERAL OR THE DISTRICT ATTORNEY
23 MAY PETITION FOR AN ORDER OF COURT FOR ENFORCEMENT OF THIS
24 SECTION. ADDITIONALLY, THE SECRETARY MAY TAKE APPROPRIATE ACTION
25 TO PETITION FOR AN ORDER OF COURT FOR THE ENFORCEMENT OF THIS
26 SECTION IN ACCORDANCE WITH THE ACT OF OCTOBER 15, 1980 (P.L.950,
27 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT. ANY
28 DISOBEDIENCE OF ANY FINAL ORDER ENTERED UNDER THIS SECTION BY
29 ANY COURT SHALL BE PUNISHED AS CONTEMPT THEREOF.

30 (G) SERVICE.--SERVICE OF A SUBPOENA MAY BE MADE IN ANY ONE

1 OF THE FOLLOWING WAYS:

2 (1) DELIVERING A DULY EXECUTED COPY THEREOF TO THE
3 PERSON TO BE SERVED OR TO A PARTNER OR TO ANY OFFICER OR
4 AGENT AUTHORIZED BY APPOINTMENT OR BY LAW TO RECEIVE SERVICE
5 OF PROCESS ON BEHALF OF SUCH PERSON.

6 (2) DELIVERING A DULY EXECUTED COPY THEREOF TO THE
7 PRINCIPAL PLACE OF BUSINESS IN THIS COMMONWEALTH OF THE
8 PERSON TO BE SERVED.

9 (3) MAILING BY REGISTERED OR CERTIFIED MAIL A DULY
10 EXECUTED COPY THEREOF ADDRESSED TO THE PERSON TO BE SERVED AT
11 HIS PRINCIPAL PLACE OF BUSINESS IN THIS COMMONWEALTH OR IF
12 SAID PERSON HAS NO PLACE OF BUSINESS IN THIS COMMONWEALTH, TO
13 THE LAST ADDRESS OF SUCH PERSON KNOWN TO THE SECRETARY.

14 (4) ANY CHARITABLE ORGANIZATION, FUNDRAISING COUNSEL, OR
15 PROFESSIONAL SOLICITOR HAVING ITS PRINCIPAL PLACE OF BUSINESS
16 OTHER THAN WITHIN THIS COMMONWEALTH, OR ORGANIZED UNDER AND
17 BY VIRTUE OF THE LAWS OF A FOREIGN STATE, WHICH IS SUBJECT TO
18 THE PROVISIONS OF THIS ACT, SHALL BE DEEMED TO HAVE
19 IRREVOCABLY APPOINTED THE SECRETARY OF STATE AS ITS AGENT
20 UPON WHOM MAY BE SERVED ANY SUMMONS, SUBPOENA DUCES TECUM OR
21 OTHER PROCESS DIRECTED TO SUCH CHARITABLE ORGANIZATION,
22 FUNDRAISING COUNSEL, PROFESSIONAL SOLICITOR, OR ANY PARTNER,
23 PRINCIPAL OFFICER OR DIRECTOR OF ANY OF THEM, IN ANY ACTION
24 OR PROCEEDING BROUGHT UNDER THE PROVISIONS OF THIS ACT.

25 SERVICE OF SUCH PROCESS UPON THE SECRETARY OF STATE SHALL BE
26 MADE BY PERSONALLY DELIVERING TO AND LEAVING WITH HIM A COPY
27 THEREOF AT HIS OFFICE IN THE CITY OF HARRISBURG, PENNSYLVANIA
28 AND SUCH SERVICE SHALL BE SUFFICIENT SERVICE; PROVIDED NOTICE
29 OF SUCH SERVICE AND A COPY OF SUCH PROCESS SHALL BE FORTHWITH
30 SENT BY SAID SECRETARY TO SUCH CHARITABLE ORGANIZATION,

FUNDRAISING COUNSEL, PROFESSIONAL SOLICITOR, OR OTHER PERSON
TO WHOM IT IS DIRECTED BY REGISTERED MAIL, WITH RETURN
RECEIPT REQUESTED AT THE LAST ADDRESS KNOWN TO SAID
SECRETARY.

SECTION 17. ADMINISTRATIVE ENFORCEMENT AND PENALTIES.

(A) GENERAL RULE.--THE SECRETARY MAY REFUSE TO REGISTER OR
REVOKE OR SUSPEND THE REGISTRATION OF ANY CHARITABLE
ORGANIZATION, PROFESSIONAL FUNDRAISING COUNSEL OR PROFESSIONAL
SOLICITOR WHENEVER HE FINDS THAT A CHARITABLE ORGANIZATION,
PROFESSIONAL FUNDRAISING COUNSEL OR PROFESSIONAL SOLICITOR, OR
AN AGENT, SERVANT OR EMPLOYEE THEREOF:

(1) HAS VIOLATED OR IS OPERATING IN VIOLATION OF ANY OF
THE PROVISIONS OF THIS ACT, THE REGULATIONS OF THE
DEPARTMENT, OR AN ORDER ISSUED BY THE SECRETARY.

(2) HAS REFUSED OR FAILED OR ANY OF ITS PRINCIPAL
OFFICERS HAS REFUSED OR FAILED, AFTER NOTICE, TO PRODUCE ANY
RECORDS OF SUCH ORGANIZATION OR TO DISCLOSE ANY INFORMATION
REQUIRED TO BE DISCLOSED UNDER THIS ACT OR THE REGULATIONS OF
THE DEPARTMENT.

(3) HAS MADE A MATERIAL FALSE STATEMENT IN AN
APPLICATION, STATEMENT OR REPORT REQUIRED TO BE FILED UNDER
THIS ACT.

(B) ADDITIONAL ACTIONS.--WHEN THE SECRETARY FINDS THAT THE
REGISTRATION OF ANY PERSON MAY BE REFUSED, SUSPENDED OR REVOKED
UNDER THE TERMS OF SUBSECTION (A), THE SECRETARY MAY:

(1) REVOKE A GRANT OF EXEMPTION TO ANY OF THE PROVISIONS
OF THIS ACT.

(2) ISSUE AN ORDER DIRECTING THAT THE PERSON CEASE AND
DESIST SPECIFIED FUNDRAISING ACTIVITIES.

(3) IMPOSE AN ADMINISTRATIVE FINE NOT TO EXCEED \$1,000

FOR EACH ACT OR OMISSION WHICH CONSTITUTES A VIOLATION OF THIS ACT AND AN ADDITIONAL PENALTY, NOT TO EXCEED \$100 FOR EACH DAY DURING WHICH SUCH VIOLATION CONTINUES. REGISTRATION WILL BE AUTOMATICALLY SUSPENDED UPON FINAL AFFIRMATION OF AN ADMINISTRATIVE FINE UNTIL THE FINE IS PAID OR UNTIL THE NORMAL EXPIRATION DATE OF THE REGISTRATION. NO REGISTRATION SHALL BE RENEWED UNTIL THE FINE IS PAID.

(4) PLACE THE REGISTRANT ON PROBATION FOR SUCH PERIOD OF TIME AND SUBJECT TO SUCH CONDITIONS AS HE MAY DECIDE.

(C) ADMINISTRATIVE PROCEDURES.--ALL ACTIONS OF THE SECRETARY SHALL BE TAKEN SUBJECT TO THE RIGHT OF NOTICE, HEARING AND ADJUDICATION AND THE RIGHT OF APPEAL THEREFROM IN ACCORDANCE WITH TITLE 2 OF THE PENNSYLVANIA CONSOLIDATED STATUTES (RELATING TO ADMINISTRATIVE LAW AND PROCEDURE).

SECTION 18. CRIMINAL PENALTIES.

(A) DECEIT IN FRAUD VIOLATION.--ANY PERSON WHO WILLFULLY AND KNOWINGLY VIOLATES ANY PROVISIONS OF THIS ACT WITH INTENT TO DECEIVE OR DEFRAUD ANY CHARITY OR INDIVIDUAL, COMMITS A MISDEMEANOR OF THE FIRST DEGREE AND SHALL, UPON CONVICTION, BE SENTENCED TO PAY A FINE NOT EXCEEDING \$10,000 OR IMPRISONMENT FOR NOT MORE THAN FIVE YEARS, OR BOTH.

(B) OTHER VIOLATIONS.--ANY OTHER VIOLATION OF THIS ACT SHALL CONSTITUTE A MISDEMEANOR OF THE THIRD DEGREE PUNISHABLE, UPON CONVICTION, BY A FINE NOT EXCEEDING \$2,500 OR IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BOTH.

(C) LOCATION OF OFFENSE.--ANY OFFENSE COMMITTED UNDER THIS ACT INVOLVING A SOLICITATION MAY BE DEEMED TO HAVE BEEN COMMITTED AT EITHER THE PLACE AT WHICH THE SOLICITATION WAS INITIATED, OR AT THE PLACE WHERE THE SOLICITATION WAS RECEIVED.

SECTION 19. CIVIL PENALTIES.

1 (A) GENERAL RULE.--WHENEVER THE ATTORNEY GENERAL OR ANY
2 DISTRICT ATTORNEY SHALL HAVE REASON TO BELIEVE, OR SHALL BE
3 ADVISED BY THE SECRETARY, THAT THE PERSON IS OPERATING IN
4 VIOLATION OF THE PROVISIONS OF THIS ACT, THE ATTORNEY GENERAL OR
5 DISTRICT ATTORNEY MAY BRING AN ACTION IN THE NAME OF THE
6 COMMONWEALTH AGAINST SUCH PERSON WHO HAS VIOLATED THIS ACT, TO
7 ENJOIN SUCH PERSON FROM CONTINUING SUCH VIOLATION AND FOR SUCH
8 OTHER RELIEF AS THE COURT DEEMS APPROPRIATE. IN ANY PROCEEDING
9 UNDER THIS SUBSECTION, THE COURT MAY MAKE APPROPRIATE ORDERS,
10 INCLUDING:

11 (1) THE APPOINTMENT OF A MASTER OR RECEIVER;

12 (2) THE SEQUESTRATION OF ASSETS;

13 (3) THE REIMBURSEMENT OF PERSONS FROM WHOM CONTRIBUTIONS
14 HAVE BEEN UNLAWFULLY SOLICITED;

15 (4) THE DISTRIBUTION OF CONTRIBUTIONS IN ACCORDANCE WITH
16 THE CHARITABLE PURPOSE EXPRESSED IN THE REGISTRATION
17 STATEMENT OR IN ACCORDANCE WITH THE REPRESENTATIONS MADE TO
18 THE PERSON SOLICITED;

19 (5) THE REIMBURSEMENT OF THE COMMONWEALTH FOR ATTORNEY
20 FEES AND THE COSTS OF INVESTIGATION, INCLUDING AUDIT COSTS;

21 (6) THE ASSESSMENT OF A CIVIL PENALTY NOT EXCEEDING
22 \$1,000 PER VIOLATION OF THE ACT, WHICH PENALTY SHALL BE IN
23 ADDITION TO ANY OTHER RELIEF WHICH MAY BE GRANTED; AND

24 (7) THE GRANTING OF OTHER APPROPRIATE RELIEF.

25 (B) ASSURANCE OF VOLUNTARY COMPLIANCE.--IN ANY CASE WHERE
26 THE ATTORNEY GENERAL OR DISTRICT ATTORNEY HAS AUTHORITY TO
27 INSTITUTE AN ACTION OR PROCEEDING UNDER THIS ACT, HE MAY ACCEPT
28 AN ASSURANCE OF VOLUNTARY COMPLIANCE THROUGH WHICH ANY PERSON
29 ALLEGED TO BE ENGAGED IN ANY METHOD, ACT OR PRACTICE IN
30 VIOLATION OF THIS ACT AGREES TO DISCONTINUE SUCH METHOD, ACT OR

1 PRACTICE. SUCH ASSURANCE MAY, AMONG OTHER TERMS, INCLUDE A
2 STIPULATION OF A VOLUNTARY PAYMENT BY SUCH PERSON OF THE COST OF
3 THE INVESTIGATION OR OF AN AMOUNT TO BE HELD IN ESCROW PENDING
4 THE OUTCOME OF AN ACTION OR AS RESTITUTION TO AGREED PERSONS, OR
5 BOTH. ANY SUCH ASSURANCE OF COMPLIANCE SHALL BE IN WRITING AND
6 SHALL BE FILED WITH A COURT OF THE COMMONWEALTH. MATTERS CLOSED
7 MAY, AT ANY TIME BE REOPENED BY THE COURT FOR FURTHER
8 PROCEEDINGS IN THE PUBLIC INTEREST. IN THE EVENT OF AN ALLEGED
9 VIOLATION OF THE ASSURANCE OF VOLUNTARY COMPLIANCE, THE ATTORNEY
10 GENERAL OR DISTRICT ATTORNEY MAY, AT HIS DISCRETION, EITHER
11 INITIATE CONTEMPT PROCEEDINGS OR PROCEED AS IF THE ASSURANCE OF
12 VOLUNTARY COMPLIANCE HAS NOT BEEN ACCEPTED. EVIDENCE OF A
13 VIOLATION OF SUCH ASSURANCE SHALL BE PRIMA FACIE EVIDENCE OF A
14 VIOLATION OF THIS ACT IN ANY SUBSEQUENT PROCEEDING BROUGHT BY
15 THE ATTORNEY GENERAL OR DISTRICT ATTORNEY.

16 SECTION 20. ADDITIONAL REGULATIONS BY COUNTIES, MUNICIPALITIES
17 OR CONSOLIDATED GOVERNMENT.

18 NOTHING CONTAINED IN THIS ACT SHALL SERVE TO DENY THE RIGHT
19 TO ANY COUNTY, MUNICIPALITY OR CONSOLIDATED GOVERNMENT TO PASS
20 SUCH ORDINANCES, RULES AND REGULATIONS AS MAY BE DEEMED
21 APPROPRIATE TO REGULATE FURTHER THE SOLICITING OF CONTRIBUTIONS
22 WITHIN SUCH COUNTY, MUNICIPALITY OR CONSOLIDATED GOVERNMENT.
23 SUCH ORDINANCE MAY NOT ALTER ANY OF THE OBLIGATIONS SET FORTH IN
24 THIS ACT OR THE REGULATIONS OF THE DEPARTMENT BUT MAY ADD
25 THERETO OTHER REQUIREMENTS AND RULES AS APPEAR TO BE PROPER TO
26 THE COUNTY, MUNICIPALITY OR CONSOLIDATED GOVERNMENT INVOLVED.

27 SECTION 21. CHARITABLE ORGANIZATIONS DEEMED FIDUCIARY.

28 EVERY PERSON SOLICITING, COLLECTING OR EXPENDING
29 CONTRIBUTIONS FOR CHARITABLE PURPOSES AND EVERY OFFICER,
30 DIRECTOR, TRUSTEE AND EMPLOYEE OF ANY SUCH PERSON CONCERNED WITH

1 THE SOLICITATION, COLLECTION OR EXPENDITURE OF SUCH CONTRIBUTION
2 SHALL BE DEEMED TO BE A FIDUCIARY AND ACTING IN A FIDUCIARY
3 CAPACITY.

4 SECTION 22. PRIOR REGISTRATION UNAFFECTED.

5 ANY PERSON WHO IS REGISTERED WITH THE DEPARTMENT UNDER THE
6 ACT OF APRIL 30, 1986 (P.L.107, NO.36), KNOWN AS THE CHARITABLE
7 ORGANIZATION REFORM ACT, PRIOR TO THE EFFECTIVE DATE OF THIS ACT
8 SHALL, ON AND AFTER THE EFFECTIVE DATE HEREOF, BE DEEMED TO BE
9 REGISTERED WITH THE DEPARTMENT AS PROVIDED FOR IN THIS ACT.
10 REGISTRATION SHALL BE REISSUED IN ACCORDANCE WITH THIS ACT.

11 SECTION 23. REPEALS.

12 THE ACT OF APRIL 30, 1986 (P.L.107, NO.36), KNOWN AS THE
13 CHARITABLE ORGANIZATION REFORM ACT, IS REPEALED. EXISTING
14 REGULATIONS PROMULGATED PURSUANT TO THE CHARITABLE ORGANIZATION
15 REFORM ACT, SHALL REMAIN IN EFFECT UNTIL AMENDED IN ACCORDANCE
16 WITH THE PROVISIONS OF THIS ACT.

17 SECTION 24. APPROPRIATION.

18 ALL FEES SHALL BE PAID TO THE STATE TREASURER AND ARE
19 APPROPRIATED TO THE DEPARTMENT OF STATE FOR THE ADMINISTRATION
20 AND ENFORCEMENT OF THIS ACT AND ALL FINES, PENALTIES, ATTORNEY
21 FEES AND COSTS OF INVESTIGATION SHALL BE PAID TO THE
22 GOVERNMENTAL AGENCY THAT CONDUCTED THE LITIGATION.

23 SECTION 25. EFFECTIVE DATE.

24 THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

25 (1) SECTIONS 9(J) AND 13(C) SHALL BE EFFECTIVE IN 120
26 DAYS.

27 (2) THE REMAINING PROVISIONS OF THIS ACT SHALL TAKE
28 EFFECT IN 60 DAYS.