

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 632 Session of  
2005

INTRODUCED BY HERSHEY, SCHRODER, HENNESSEY, ARMSTRONG, BAKER,  
BALDWIN, BARRAR, BASTIAN, BELARDI, BROWNE, CAPPELLI,  
CREIGHTON, DALEY, DENLINGER, FORCIER, GEIST, GEORGE,  
GINGRICH, HARHART, HARPER, HERMAN, HUTCHINSON, M. KELLER,  
LEACH, LEH, MAJOR, MCGILL, MCILHATTAN, R. MILLER, S. MILLER,  
PALLONE, PHILLIPS, PICKETT, READSHAW, ROHRER, SATHER,  
SCAVELLO, SEMMEL, SOLOBAY, STERN, THOMAS, WANSACZ, WATSON,  
WILT, YOUNGBLOOD AND MAITLAND, FEBRUARY 16, 2005

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,  
APRIL 3, 2006

## AN ACT

1 Amending the act of December 19, 1990 (P.L.1200, No.202),  
2 entitled "An act providing for the registration and  
3 regulation of solicitations by charitable organizations,  
4 professional fundraisers and other solicitors; imposing  
5 additional powers on the Department of State and the Office  
6 of Attorney General; prescribing civil and criminal  
7 penalties; and making a repeal," further providing for audit  
8 of certain financial reports.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Section 5(f) of the act of December 19, 1990  
12 (P.L.1200, No.202), known as the Solicitation of Funds for  
13 Charitable Purposes Act, amended June 22, 2001 (P.L.588, No.45),  
14 is amended to read:

15 Section 5. Registration of charitable organizations; financial  
16 reports; fees; failure to file.

17 \* \* \*

1 (f) Audit of certain financial reports.--The financial  
2 report of every charitable organization which receives annual  
3 contributions of ~~\$125,000 or more, except for any charitable~~ <—  
4 ~~organization described in section 6(a)(3) which receives~~  
5 ~~contributions less than \$300,000,~~ [\$125,000] \$300,000 OR MORE <—  
6 shall be audited by an independent certified public accountant  
7 or public accountant. [Except for the charitable organizations <—  
8 described in section 6(a)(3), every] EVERY charitable <—  
9 organization which receives annual contributions of at least  
10 \$50,000, but less than [\$125,000] \$300,000, shall be required to <—  
11 have a COMPILATION, review or audit of their financial <—  
12 statements performed by an independent certified public  
13 accountant or public accountant. [An] A COMPILATION, audit or <—  
14 review is optional for any charitable organization which  
15 receives annual contributions of less than \$50,000 [or for any <—  
16 charitable organization described in section 6(a)(3) which  
17 receives annual contributions of less than ~~[\$125,000] \$300,000.~~ <—  
18 \$125,000]. Audits shall be performed in accordance with the <—  
19 Statements on Auditing Standards of the American Institute of  
20 Certified Public Accountants, whereas reviews shall be performed  
21 in accordance with the Statements on Standards for Accounting  
22 and Review Services of the American Institute of Certified  
23 Public Accountants.

24 \* \* \*

25 Section 2. This act shall take effect in 60 days.