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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1669 Session of  
2017

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INTRODUCED BY DeLUCA, SAMUELSON, PASHINSKI, V. BROWN, MILLARD,  
CALTAGIRONE, ROEBUCK, KORTZ, GILLEN, READSHAW, WATSON, DALEY,  
D. COSTA, RAVENSTAHL, CONKLIN, DEAN AND NEILSON,  
SEPTEMBER 18, 2017

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REFERRED TO COMMITTEE ON STATE GOVERNMENT, SEPTEMBER 18, 2017

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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  
8 registration of charitable organizations and financial  
9 reports and fees and failure to file, for limitation on  
10 activities of charitable organizations and disclosure  
11 requirements and for prohibited acts.

12 The General Assembly of the Commonwealth of Pennsylvania  
13 hereby enacts as follows:

14 Section 1. Sections 5(e) and 13(a) of the act of December  
15 19, 1990 (P.L.1200, No.202), known as the Solicitation of Funds  
16 for Charitable Purposes Act, are amended to read:

17 Section 5. Registration of charitable organizations; financial  
18 reports; fees; failure to file.

19 \* \* \*

20 (e) Financial report.--

21 (1) With each registration statement filed under this

1 section, a charitable organization must file a financial  
2 report for the immediately preceding fiscal year, which shall  
3 contain a balance sheet and statements of revenue, expenses  
4 and changes in fund balances indicating the organization's  
5 gross revenue, the amount of funds received from  
6 solicitations or other fundraising activities and all  
7 expenditures for supplies, equipment, goods, services,  
8 programs, activities or other expenses, a detailed list of  
9 all salaries and wages paid and expenses allowed to any  
10 officer or employee if the organization is not required to  
11 file an Internal Revenue Service Form 990 and the disposition  
12 of the net proceeds received from solicited contributions or  
13 other fundraising activities.

14 (2) No charitable organization shall solicit  
15 contributions or have contributions solicited on the  
16 charitable organization's behalf if the charitable  
17 organization fails to expend in the current fiscal year at  
18 least 65% of the charitable organization's gross revenue for  
19 the immediately prior fiscal year on goods or services, as  
20 defined in section 3 of the act of November 26, 1997  
21 (P.L.508, No.55), known as the Institutions of Purely Public  
22 Charity Act, until the department determines that the  
23 charitable organization is expending the minimum required  
24 amount on goods or services and notifies the charitable  
25 organization that the charitable organization may resume  
26 solicitation.

27 \* \* \*

28 Section 13. Limitation on activities of charitable  
29 organizations; disclosure requirements.

30 (a) Solicitation limitation.--

1           (1) A charitable organization may only solicit  
2 contributions for the charitable purpose expressed in  
3 solicitation for contributions or the registration statement  
4 of the charitable organization and may only apply  
5 contributions in a manner substantially consistent with that  
6 purpose.

7           (2) A charitable organization that fails to expend the  
8 minimum required amount, as provided in section 5(e)(2), on  
9 goods or services shall immediately cease all solicitation  
10 and notify the department within 15 days.

11           \* \* \*

12           Section 2. Section 15(a) of the act is amended by adding  
13 paragraphs to read:

14           Section 15. Prohibited acts.

15           (a) General rule.--Regardless of a person's intent or the  
16 lack of injury, the following acts and practices are prohibited  
17 in the planning, conduct or execution of any solicitation or  
18 charitable sales promotion:

19           \* \* \*

20           (14) Failing to expend the minimum required amount, as  
21 provided in section 5(e)(2), on goods or services.

22           (15) Failing to immediately cease all solicitation if  
23 the charitable organization does not expend the minimum  
24 required amount, as provided in section 5(e)(2), on goods or  
25 services.

26           (16) Failing to notify the department within 15 days  
27 that the charitable organization is no longer expending the  
28 minimum required amount, as provided in section 5(e)(2), on  
29 goods or services.

30           \* \* \*

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