

**SENATE APPROPRIATIONS COMMITTEE  
FISCAL NOTE**

**BILL NO.** House Bill 1420

**PRINTER NO.** 1784

**AMOUNT**

No Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

May 19, 2017

**PRIME SPONSOR**

Representative Greiner

**DESCRIPTION**

Amends the Solicitation of Funds for Charitable Purposed Act aligning the Commonwealth’s audit requirements for charitable organizations with federal law.

Sets new auditing thresholds for charitable organizations that receive annual contributions at the following levels:

- Less than \$100,000 – a compilation, audit or review is optional
- \$100,000 - \$250,000 – shall have a compilation, review or audit performed by an independent certified public accountant or public accountant.
- \$250,000 - \$750,000 – shall have a review or audit performed by an independent certified public accountant or public accountant.
- \$750,000 or more – shall be audited by an independent certified public accountant or public accountant.

**FISCAL IMPACT:**

The change in the auditing thresholds will result in fewer entities needing to file with Department of State (Department) and a reduction in fee revenue collected by the Department. The loss of fee revenue will be offset by savings recognized by the Department from the reduced number of filings to be reviewed, requiring less temporary staff during peak seasons. As a result, this legislation will have no fiscal impact on Commonwealth funds.