
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1360 Session of
2017

INTRODUCED BY M. QUINN, ELLIS, D. COSTA, DeLUCA, DOWLING,
EVERETT, PHILLIPS-HILL, McNEILL, MILLARD, NEILSON, C. QUINN,
READSHAW, ROEBUCK AND WATSON, MAY 11, 2017

REFERRED TO COMMITTEE ON COMMERCE, MAY 11, 2017

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 definitions, for powers and duties of secretary and for
9 registration of charitable organizations, financial reports,
10 fees and failure to file; providing for supplemental
11 financial disclosure and for financial statements for
12 specific disaster relief solicitations; further providing for
13 exemptions from registration, for short form registration,
14 for registration of professional fundraising counsel and
15 contracts and for registration of professional solicitors,
16 contract and disclosure requirements, bonds, records and
17 books; providing for individual registration of professional
18 solicitor officers, employees and agents; further providing
19 for limitation on activities of charitable organizations and
20 disclosure requirements, for investigation, subpoenas,
21 injunctions and court orders, for administrative enforcement
22 and penalties and for criminal penalties; and establishing
23 the Charitable Organization Regulation Account.

24 The General Assembly of the Commonwealth of Pennsylvania

25 hereby enacts as follows:

26 Section 1. The definition of "net proceeds" in section 3 of
27 the act of December 19, 1990 (P.L.1200, No.202), known as the
28 Solicitation of Funds for Charitable Purposes Act, is amended

1 and the section is amended by adding definitions to read:

2 Section 3. Definitions.

3 The following words and phrases when used in this act shall
4 have the meanings given to them in this section unless the
5 context clearly indicates otherwise:

6 * * *

7 "Crisis." An event which garners widespread national or
8 global media coverage due to an actual or perceived threat or
9 harm to an individual, group or community.

10 * * *

11 "Disaster." A natural, technological or civil event,
12 including, but not limited to, an explosion, chemical spill,
13 earthquake, tsunami, landslide, volcanic activity, avalanche,
14 wildfire, tornado, hurricane, drought or flood, which affects
15 one or more countries and causes damage of sufficient severity
16 and magnitude to result in:

17 (1) an official declaration of a state of emergency; or

18 (2) an official request for international assistance.

19 * * *

20 "Gross national contributions." The total gross amount of
21 contributions received by a charitable organization from all
22 sources inside and outside Pennsylvania without any deduction or
23 reduction of costs incurred in the solicitation.

24 * * *

25 "Net proceeds." The total proceeds received from the
26 solicitation of gross national contributions reduced by the
27 direct cost of merchandise or other goods sold or fundraising
28 events of any kind.

29 * * *

30 "Program service costs." The costs of services or activities

1 performed by the charitable organization which fulfill its
2 charitable purpose, including, but not limited to, donations,
3 grants, scholarships or similar amounts given out in fulfillment
4 of the organization's stated purpose. The term includes
5 administrative costs which are reasonably allocated to the
6 services or activities. The term does not include fundraising
7 costs.

8 * * *

9 Section 2. Section 4 of the act is amended by adding a
10 paragraph to read:

11 Section 4. Powers and duties of secretary.

12 The secretary shall have the following powers and duties to:

13 * * *

14 (2.1) Provide for the registration of professional
15 solicitors and certain employees thereof.

16 * * *

17 Section 3. Section 5(f), (p) and (q) of the act are amended
18 and the section is amended by adding subsections to read:

19 Section 5. Registration of charitable organizations; financial
20 reports; fees; failure to file.

21 * * *

22 (f) Audit of certain financial reports.--The financial
23 report of every charitable organization which receives annual
24 gross national contributions of \$300,000 or more shall be
25 audited by an independent certified public accountant or public
26 accountant. Every charitable organization which receives annual
27 gross national contributions of at least \$100,000, but less than
28 \$300,000, shall be required to have a review or audit of their
29 financial statements performed by an independent certified
30 public accountant or public accountant. Every charitable

1 organization which receives gross national annual contributions
2 of at least \$50,000, but less than \$100,000, shall be required
3 to have a compilation, review or audit of their financial
4 statements performed by an independent certified public
5 accountant or public accountant. A compilation, audit or review
6 is optional for any charitable organization which receives gross
7 national annual contributions of less than \$50,000. Audits shall
8 be performed in accordance with generally accepted auditing
9 standards, including the Statements on Auditing Standards of the
10 American Institute of Certified Public Accountants, whereas
11 reviews shall be performed in accordance with the Statements on
12 Standards for Accounting and Review Services of the American
13 Institute of Certified Public Accountants.

14 * * *

15 (p) Annual registration fees.--A charitable organization
16 which submits a short form registration statement pursuant to
17 section 7 or receives gross national contributions of \$25,000 or
18 less during the immediately preceding fiscal year shall pay an
19 annual registration fee of [~~\$15~~] \$30. A charitable organization
20 which receives gross national contributions in excess of \$25,000
21 but less than \$100,000 during the immediately preceding fiscal
22 year shall pay an annual registration fee of [~~\$100~~] \$200. A
23 charitable organization which receives gross national
24 contributions in excess of \$100,000 but not exceeding \$500,000
25 during the immediately preceding fiscal year shall pay an annual
26 registration fee of [~~\$150~~] \$300. A charitable organization which
27 receives gross national contributions in excess of \$500,000
28 during the immediately preceding fiscal year shall pay an annual
29 registration fee of [~~\$250~~] \$500. A parent organization filing on
30 behalf of one or more affiliates and a federated fundraising

1 organization filing on behalf of its member agencies shall pay a
2 single annual registration fee for itself and such other
3 affiliates or member agencies included in the registration
4 statement.

5 (q) Late filing fees.--In addition to the registration fee,
6 an organization failing to file a registration application by
7 the due date shall pay an additional fee of [\$25] \$50 for each
8 month or part of the month after the date on which the
9 registration statement and financial report were due to be filed
10 or after the period of extension granted for such filing.

11 * * *

12 (u) Prohibited conduct.--An officer, director, trustee,
13 employee, volunteer or independent contractor of a charitable
14 organization may not solicit contributions on behalf of the
15 charitable organization or have control or custody of
16 contributions if the officer, director, trustee, employee,
17 volunteer or independent contractor has been convicted by a
18 Federal or state court of any felony or of any misdemeanor
19 involving dishonesty or arising from the conduct of a
20 solicitation for a charitable organization or purpose.

21 (v) Denial or revocation of registration.--The department
22 may deny or revoke the registration of a charitable organization
23 if the charitable organization, or an officer, director or
24 trustee thereof, has had the right to solicit contributions
25 revoked in a state or has been ordered by a court or
26 governmental agency to cease soliciting contributions within a
27 state.

28 (w) Duty to notify department.--A charitable organization
29 registered under this section which ends solicitation activities
30 or participation in charitable sales promotions in this State

1 shall immediately notify the department in writing within 30
2 days of the date such activities ceased.

3 (x) Accounting method.--Unless otherwise required by this
4 act, the organization shall use the same accounting method for
5 reporting information to the department that it uses to prepare
6 its Internal Revenue Service Form 990. If no Form 990 is filed
7 with the Internal Revenue Service, the organization shall report
8 revenue and expenses using the accounting method that it
9 regularly uses to keep its books and records. The method of
10 accounting must clearly reflect income and expenses.

11 Section 4. The act is amended by adding sections to read:
12 Section 5.1. Supplemental financial disclosure.

13 (a) Duty to file.--If, for the immediately preceding fiscal
14 year, a charitable organization had more than \$1,000,000 in
15 gross national contributions and spent less than 25% of the
16 organization's total expenses on program service costs, in
17 addition to a registration statement or financial report
18 required under section 5, the charitable organization shall file
19 the following supplemental financial information on a form
20 prescribed by the department:

21 (1) The dollar amount and the percentage of gross
22 national contributions received which were allocated to
23 funding each of the following functions:

24 (i) Total salaries, wages, other compensation and
25 employee benefits paid to all fiduciaries, including, but
26 not limited to, any officer, director, trustee or
27 employee, including compensation reported on Forms W-2
28 and 1099.

29 (ii) Fundraising costs, including the names of
30 professional solicitors, amounts paid to professional

1 solicitors and contributions received from professional
2 solicitors' campaigns.

3 (iii) Travel expenses, including, but not limited
4 to:

5 (A) Transportation costs, including fares,
6 mileage allowances and automobile expenses.

7 (B) Meals.

8 (C) Lodging.

9 (D) Per diem payments.

10 (iv) Administrative costs, including, but not
11 limited to, expenses that relate to the charitable
12 organization's overall operations and management.

13 (v) Program service costs.

14 (2) The names of and specific sums earned by or paid to
15 all employees or consultants who earned or were paid more
16 than \$50,000 during the immediately preceding fiscal year.

17 (3) The names of and specific sums paid to all
18 independent contractors who were paid more than \$50,000
19 during the immediately preceding fiscal year and a brief
20 description of the services provided.

21 (4) A description, dollar amount and percentage of gross
22 national contributions allocated to each of the
23 organization's five largest programs as measured by total
24 expenses incurred. Description of the programs must be clear,
25 concise and complete.

26 (5) (i) The details of any economic or business
27 transaction between the charitable organization and:

28 (A) an officer, trustee or director of the
29 charitable organization;

30 (B) the immediate family of an officer, trustee

1 or director of the charitable organization;

2 (C) an entity controlled by an officer, trustee
3 or director of the charitable organization;

4 (D) an entity controlled by the immediate family
5 of an officer, trustee or director of the charitable
6 organization;

7 (E) an entity that employed or engaged for
8 consultation an officer, trustee or director of the
9 charitable organization; and

10 (F) an entity that employed or engaged for
11 consultation the immediate family of an officer,
12 trustee or director of the charitable organization.

13 (ii) As used in this paragraph, the term "immediate
14 family" means a parent, spouse, child, sibling,
15 grandparent, grandchild, brother-in-law, sister-in-law,
16 son-in-law, daughter-in-law, mother-in-law or father-in-
17 law.

18 (6) Any additional clarifying information.

19 (b) Time period for filing.--The supplemental financial
20 information required under subsection (a) shall be filed with
21 the department by the charitable organization within 60 days
22 after receiving a request for the information from the
23 department.

24 (c) Nature of information.--All information supplied under
25 subsection (a) must be complete and accurate.

26 Section 5.2. Financial statements for specific disaster relief
27 solicitations.

28 (a) Duty to file.--A charitable organization which solicits
29 contributions in this Commonwealth for a charitable purpose
30 related to a specific disaster or crisis and receives at least

1 \$50,000 in gross national contributions in response to the
2 solicitation shall file quarterly disaster relief financial
3 statements with the department on a form prescribed by the
4 department. The quarterly statements shall detail the
5 contributions secured as a result of the solicitation, the
6 manner in which the contributions were expended and a
7 description of the function served by the expenditure.

8 (b) Time period for filing.--The first quarterly statement
9 shall be filed on the last day of the third month following the
10 accrual of at least \$50,000 in gross national contributions
11 after the commencement of solicitations for the specific
12 disaster or crisis. The charitable organization shall continue
13 to file quarterly statements with the department until the
14 quarter after all contributions raised in response to any
15 solicitation are expended.

16 (c) Public posting.--The department shall post notice on its
17 publicly accessible Internet website of each disaster or crisis
18 subject to the reporting requirements of this section within ten
19 days after the disaster or crisis.

20 (d) Exemption.--A charitable organization that has been
21 registered with the department for at least four consecutive
22 years immediately before soliciting contributions for a
23 charitable purpose related to a specific disaster or crisis
24 shall be exempt from the reporting requirements of this section.

25 Section 5. Sections 6(a)(8) and 7(a)(3) and (4) of the act
26 are amended to read:

27 Section 6. Exemptions from registration.

28 (a) General rule.--The following charitable organizations
29 shall be exempt from the registration requirements of this act:

30 * * *

1 (8) Any charitable organization which receives
2 contributions of \$25,000 or less annually, provided that such
3 organization does not compensate any person who conducts
4 solicitations. Charitable organizations which receive more
5 than \$25,000 in gross national contributions shall file the
6 appropriate registration statement within 30 days after the
7 contributions are received.

8 * * *

9 Section 7. Short form registration.

10 (a) Organizations required to file.--The following
11 charitable organizations shall be required to file short form
12 annual registration statements with the department in lieu of
13 the registration statement required by section 5:

14 * * *

15 (3) Charitable organizations whose fundraising
16 activities are carried on by volunteers, members, officers or
17 permanent employees and which do not receive gross national
18 contributions in excess of \$25,000 during a fiscal year, if
19 no part of their assets or income inures to the benefit of or
20 is paid to any officer or member, professional fundraising
21 counsel, professional solicitor or commercial coventurer.
22 Charitable organizations which do not intend to solicit and
23 receive in excess of \$25,000, but do receive contributions in
24 excess of that amount shall file the financial report
25 required in section 5 within 30 days after contributions are
26 received in excess of that amount.

27 (4) Organizations described in section 6(a)(3) which do
28 not receive gross national contributions in excess of
29 \$100,000 during a fiscal year if no part of their assets or
30 income inures to the benefit of or is paid to a professional

1 solicitor.

2 * * *

3 Section 6. Section 8(b) of the act is amended and the
4 section is amended by adding subsections to read:

5 Section 8. Registration of professional fundraising counsel and
6 contracts.

7 * * *

8 (b) Registration fee.--The application for registration
9 shall be accompanied by a fee of [~~\$250~~] \$500. A professional
10 fundraising counsel which is a partnership or corporation may
11 register for and pay a single fee on behalf of all of its
12 partners, members, officers, directors, agents and employees.
13 Each registration shall be valid for one year and may be renewed
14 for additional one-year periods upon application to the
15 department and payment of the registration fee.

16 * * *

17 (d.1) Prohibited conduct.--No person may act as a
18 professional fundraising counsel if the person, including any
19 officer, director, trustee, employee, volunteer or independent
20 contractor, has been convicted by a Federal or state court of
21 any felony or of any misdemeanor involving dishonesty or arising
22 from the conduct of a solicitation for a charitable organization
23 or purpose.

24 (d.2) Denial or revocation of registration.--The department
25 may deny or revoke the registration of a professional
26 fundraising counsel if the professional fundraising counsel, or
27 any of its officers, directors or trustees, has had the right to
28 solicit contributions revoked in a state or has been ordered by
29 a court or governmental agency to cease soliciting contributions
30 within a state.

1 * * *

2 Section 7. Section 9(a)(5), (b), (e), (g), (j), (k) and (l)
3 of the act are amended to read:

4 Section 9. Registration of professional solicitors; contract
5 and disclosure requirements; bonds; records; books.

6 (a) Registration and approval required.--No person shall act
7 as a professional solicitor before obtaining department approval
8 of a registration statement pursuant to subsection (d) or after
9 the expiration, suspension or revocation of such registration. A
10 registration application shall be signed and made by the
11 principal officer of the professional solicitor subject to 18
12 Pa.C.S. § 4904 (relating to unsworn falsification to
13 authorities) and shall contain all of the following information:

14 * * *

15 (5) The name of all persons in charge of any
16 solicitation activity and the names and license numbers of
17 all individuals required to register under section 9.1.

18 * * *

19 (b) Registration fee.--The application for registration
20 shall be accompanied by a fee of [~~\$250~~] \$500. A professional
21 solicitor which is a partnership or corporation may register for
22 and pay a single fee on behalf of all of its partners, members,
23 officers, directors, agents and employees. Each registration
24 shall be valid for one year and may be renewed for additional
25 one-year periods upon application to the department and payment
26 of the registration fee.

27 * * *

28 (e) Contract filing.--No less than ten working days prior to
29 the commencement of each solicitation campaign, event or
30 services, a professional solicitor shall file with the

1 department a copy of the contract described in subsection (f)
2 and a written solicitation notice. No solicitation or services
3 pursuant to the contract shall begin before the department has
4 approved the contract pursuant to subsection (g). The
5 solicitation notice shall be accompanied by a fee of [\$25] \$50
6 and shall be signed and sworn to by the authorized contracting
7 officer for the professional solicitor. If more than one event
8 or campaign is conducted under a contract, then a solicitation
9 notice addendum must be filed no less than ten working days
10 prior to the commencement of each additional event or campaign.
11 No additional fee is required to file the addendum. The
12 solicitation notice and addendum shall contain all of the
13 following information:

14 (1) A description of the solicitation event or campaign.

15 (2) Each location and telephone number from which the
16 solicitation is to be conducted.

17 (3) The legal name [and], resident address and
18 registration number of each person responsible for directing
19 and supervising the conduct of the campaign and each person
20 who is to solicit during such campaign.

21 (4) A statement as to whether the professional solicitor
22 will at any time have custody or control of contributions.

23 (5) The account number and location of each bank account
24 where receipts from the campaign are to be deposited.

25 (6) A full and fair description of the charitable
26 program for which the solicitation campaign is being carried
27 out.

28 (7) The date the solicitation campaign or event will
29 begin or be held within this Commonwealth and the termination
30 date for each campaign or event.

1 (8) Any other information required by the regulations of
2 the department.

3 * * *

4 (g) Department review of contract.--

5 (1) The department shall examine each contract and
6 solicitation notice filed by a professional solicitor and
7 shall determine whether the contract and notice contain the
8 required information.

9 (2) If the department determines that the contract and
10 notice contain the required information, the department shall
11 notify the professional solicitor within ten working days of
12 its approval of the contract and notice. The department shall
13 also post a copy of the contract on its publicly accessible
14 Internet website.

15 (3) If the department determines that the requirements
16 are not satisfied, the department must notify the
17 professional solicitor within ten working days of its receipt
18 of the contract and notice; otherwise the contract and notice
19 are deemed to be approved.

20 (4) Within seven days after receipt of a notification
21 that the requirements are not satisfied, the professional
22 solicitor may request a hearing. The hearing must be held
23 within seven days of receipt of the request, and a
24 determination must be rendered within three working days of
25 the hearing.

26 * * *

27 (j) Information on disclosure.--

28 (1) In the case of a solicitation campaign conducted
29 orally, whether by telephone or otherwise, any written
30 confirmation, receipt, and reminder sent to any person who

1 has contributed or has pledged to contribute shall include a
2 clear and conspicuous disclosure of the information required
3 by subsection (h).

4 (2) If requested by a person being solicited, the
5 professional solicitor shall:

6 (i) (A) provide in writing, within 14 days after
7 receipt of the request, the fixed percentage of the
8 gross revenue or the reasonable estimate of the
9 percentage of the gross revenue that the charitable
10 organization will receive as a benefit from the
11 solicitation campaign; or

12 (B) immediately notify the person being
13 solicited that the information is available on the
14 department's publicly accessible Internet website or
15 by calling the department's toll-free telephone
16 number; and

17 (ii) provide in writing, within 14 days after
18 receipt of the request, the percentage of the
19 contribution which may be deducted as a charitable
20 contribution under Federal income tax laws.

21 (k) Notice.--In addition to the information required by
22 subsection (j), any written confirmation, receipt and reminder
23 of a contribution made pursuant to an oral solicitation and any
24 written solicitation shall conspicuously state verbatim:

25 The official registration and financial information of
26 (insert the legal name of the charity as registered with
27 the department) may be obtained from the Pennsylvania
28 Department of State by visiting the department's publicly
29 accessible Internet website or by calling toll free,
30 within Pennsylvania, 1 (800) 000-0000. Registration does

1 not imply endorsement.

2 (1) Financial reports.--Within 90 days after a solicitation
3 campaign or event has been completed and on the anniversary of
4 the commencement of a solicitation campaign lasting more than
5 one year, a professional solicitor shall file with the
6 department a financial report for the campaign, including gross
7 revenue and an itemization of all expenses incurred. This report
8 shall be signed and sworn to by the authorized contracting agent
9 for the professional solicitor and two authorized officials of
10 the charitable organization. The report shall be posted on the
11 department's publicly accessible Internet website.

12 * * *

13 Section 8. The act is amended by adding a section to read:

14 Section 9.1. Individual registration of professional solicitor
15 officers, employees and agents.

16 (a) General rule.--No individual shall do any of the
17 following without obtaining department approval of a
18 registration statement under this section or after the
19 expiration, suspension or revocation of such registration:

20 (1) Own a professional solicitor.

21 (2) Serve as director or officer of a professional
22 solicitor.

23 (3) Contact prospective contributions on behalf of the
24 professional solicitor.

25 (4) Collect, process or manage contributions on behalf
26 of the professional solicitor.

27 (b) Application.--An individual required to obtain an
28 individual solicitor registration shall submit a written
29 application in a form prescribed by the department which
30 application shall be subject to the penalties under 18 Pa.C.S. §

1 4904 (relating to unsworn falsification to authorities). The
2 application form shall require disclosure of criminal
3 convictions as specified in subsection (d), and any consent
4 orders, fines or disciplinary action imposed by a registration
5 or licensing authority in a state.

6 (c) Fees.--The application shall be accompanied by a fee,
7 the amount of which shall be established by regulation by the
8 department. An individual solicitor registration shall be valid
9 for one year and may be renewed for additional one-year periods
10 upon application to the department and payment of the
11 registration fee.

12 (d) Denial of registration.--The department may deny or
13 revoke an individual solicitor registration if the individual
14 has been convicted by a Federal or state court of a felony or
15 misdemeanor involving dishonesty or arising from the conduct of
16 a solicitation for a charitable organization or purpose.

17 Section 9. Sections 13(c), 16(f), 17, 18 and 19(a)(6) of the
18 act are amended to read:

19 Section 13. Limitation on activities of charitable
20 organizations; disclosure requirements.

21 * * *

22 (c) Notice on printed solicitation.--On every printed
23 solicitation or written confirmation, receipt and reminder of a
24 contribution, the following statement must be conspicuously
25 printed verbatim:

26 The official registration and financial information of
27 (insert the legal name of the charity as registered with
28 the department) may be obtained from the Pennsylvania
29 Department of State by visiting the department's publicly
30 accessible Internet website or by calling toll free,

1 within Pennsylvania, 1 (800) 000-0000. Registration does
2 not imply endorsement.

3 * * *

4 Section 16. Investigation; subpoenas; injunctions; court
5 orders.

6 * * *

7 (f) Compliance.--Any person upon whom a notice is served
8 pursuant to this section shall comply with the terms thereof
9 unless otherwise provided by an order of court. Any person who
10 fails to appear or, with intent to avoid, evade or prevent
11 compliance, in whole or in part, with any civil investigation
12 under this act, removes from any place, conceals, withholds or
13 destroys, mutilates, alters or by any other means falsifies any
14 documentary material in the possession, custody or control of
15 any person subject to any notice, or knowingly conceals any
16 relevant information, shall be assessed a civil penalty of not
17 more than [\$5,000] \$10,000. The Attorney General or the district
18 attorney may petition for an order of court for enforcement of
19 this section. Additionally, the secretary may take appropriate
20 action to petition for an order of court for the enforcement of
21 this section in accordance with the act of October 15, 1980
22 (P.L.950, No.164), known as the Commonwealth Attorneys Act. Any
23 disobedience of any final order entered under this section by
24 any court shall be punished as contempt thereof.

25 * * *

26 Section 17. Administrative enforcement and penalties.

27 (a) General rule.--The secretary may refuse to register or
28 may revoke or suspend the registration of any charitable
29 organization, professional fundraising counsel or professional
30 solicitor whenever he finds that a charitable organization,

1 professional fundraising counsel or professional solicitor, or
2 an agent, servant or employee thereof:

3 (1) Has violated or is operating in violation of any of
4 the provisions of this act, the regulations of the
5 department, or an order issued by the secretary.

6 (2) Has refused or failed or any of its principal
7 officers has refused or failed, after notice, to produce any
8 records of such organization or to disclose any information
9 required to be disclosed under this act or the regulations of
10 the department.

11 (3) Has made a material false statement in an
12 application, statement or report required to be filed under
13 this act.

14 (b) Additional actions.--When the secretary finds that the
15 registration of any person may be refused, suspended or revoked
16 under the terms of subsection (a), the secretary may:

17 (1) Revoke a grant of exemption to any of the provisions
18 of this act.

19 (2) Issue an order directing that the person cease and
20 desist specified fundraising activities.

21 (3) Impose an administrative fine not to exceed [\$1,000]
22 \$2,000 for each act or omission which constitutes a violation
23 of this act and an additional penalty, not to exceed [\$100]
24 \$200 for each day during which such violation continues.
25 Registration will be automatically suspended upon final
26 affirmation of an administrative fine until the fine is paid
27 or until the normal expiration date of the registration. No
28 registration shall be renewed until the fine is paid.

29 (4) Place the registrant on probation for such period of
30 time and subject to such conditions as he may decide.

1 (c) Administrative procedures.--All actions of the secretary
2 shall be taken subject to the right of notice, hearing and
3 adjudication and the right of appeal therefrom in accordance
4 with Title 2 of the Pennsylvania Consolidated Statutes (relating
5 to administrative law and procedure).

6 Section 18. Criminal penalties.

7 (a) Deceit or fraud violation.--Any person who willfully and
8 knowingly violates any provisions of this act with intent to
9 deceive or defraud any charity or individual, commits a
10 misdemeanor of the first degree and shall, upon conviction, be
11 sentenced to pay a fine not exceeding [\$10,000] \$50,000 or
12 imprisonment for not more than five years, or both.

13 (b) Other violations.--Any other violation of this act shall
14 constitute a misdemeanor of the third degree punishable, upon
15 conviction, by a fine not exceeding [\$2,500] \$5,000 or
16 imprisonment for not more than one year, or both.

17 (c) Location of offense.--Any offense committed under this
18 act involving a solicitation may be deemed to have been
19 committed at either the place at which the solicitation was
20 initiated or at the place where the solicitation was received.

21 Section 19. Civil penalties.

22 (a) General rule.--Whenever the Attorney General or any
23 district attorney shall have reason to believe, or shall be
24 advised by the secretary, that the person is operating in
25 violation of the provisions of this act, the Attorney General or
26 district attorney may bring an action in the name of the
27 Commonwealth against such person who has violated this act, to
28 enjoin such person from continuing such violation and for such
29 other relief as the court deems appropriate. In any proceeding
30 under this subsection, the court may make appropriate orders,

1 including:

2 * * *

3 (6) the assessment of a civil penalty not exceeding
4 [\$1,000] \$2,000 per violation of the act, which penalty shall
5 be in addition to any other relief which may be granted; and

6 * * *

7 Section 10. The act is amended by adding a section to read:

8 Section 22.1. Charitable Organization Regulation Account.

9 (a) Establishment.--The Charitable Organization Regulation
10 Account is established as a restricted account within the
11 General Fund.

12 (b) Funding sources.--The Charitable Organization Regulation
13 Account shall be funded from the following sources:

14 (1) Ten percent of the fees collected under sections 5,
15 8 and 9.

16 (2) All fees collected under section 9.1.

17 (3) Any funds appropriated or transferred to the
18 Charitable Organization Regulation Account.

19 (c) Appropriation.--The money in the Charitable Organization
20 Regulation Account is appropriated to the department on a
21 continuing basis for the purpose of enforcement, registration
22 requirements and enhanced investigations of charitable
23 organizations, professional fundraising counsels, professional
24 solicitors and individual solicitors as provided in this act.

25 Section 11. This act shall apply as follows:

26 (1) No person shall be required to register as an
27 individual solicitor under section 9.1 of the act until six
28 months after the Department of State has promulgated final
29 regulations relating to fees and registration of individual
30 solicitors.

1 (2) Within 18 months of the effective date of this
2 section, the department shall promulgate final regulations to
3 implement the addition of section 9.1 of the act.
4 Section 12. This act shall take effect in 60 days.