

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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SENATE BILL 659

Short Title: Charitable Solicitations/Inform the Public.

(Public)

Sponsors: Senators Bingham; and Carpenter.

Referred to: Judiciary II.

April 1, 2003

A BILL TO BE ENTITLED

1 AN ACT TO DIRECT THE DEPARTMENT OF THE SECRETARY OF STATE TO
2 INCLUDE IN ITS ANNUAL REPORT INFORMATION REGARDING
3 SOLICITATIONS OF CHARITABLE CONTRIBUTIONS THAT INFORMS THE
4 PUBLIC OF THE PERCENTAGES OF THE SOLICITORS' REVENUES THAT
5 CHARITABLE ORGANIZATIONS OR SPONSORS WILL RECEIVE AS
6 BENEFITS FROM SOLICITATION CAMPAIGNS AND TO PROVIDE FOR
7 WIDER DISSEMINATION OF THE ANNUAL REPORT TO THE PUBLIC.
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9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 131F-30 reads as rewritten:

11 "**§ 131F-30. Public information; annual report.**

12 (a) Public Information Program. – The Department shall develop a public
13 information program to further the purposes of this Chapter. The purpose of the
14 program is to help the public recognize unlawful, misleading, deceptive, or fraudulent
15 solicitations and make knowledgeable, informed decisions concerning contributions.

16 (b) Information to Be Included. – The program shall include information
17 concerning:

18 (1) The laws governing solicitations, including licensing and disclosure
19 requirements, prohibited acts, and penalties.

20 (2) The means by which the public can report suspected violations or file a
21 complaint.

22 (3) Any other information the Department believes will assist the public in
23 making knowledgeable and informed decisions concerning
24 contributions.

25 (c) Annual Report. – The Department shall prepare an annual report to be
26 submitted to the Governor, the President of the Senate, and the Speaker of the House of
27 Representatives and to be made available to the public by publishing it on the
28 Department's web site, summarizing the information filed under this Chapter which the

1 Department determines will assist the public in making informed and knowledgeable
2 decisions concerning contributions. The report shall include the following:

- 3 (1) A list of complaints filed for which violations were found to have
4 occurred in each of the following categories: charitable organizations,
5 sponsors, solicitors, and fund-raising consultants.
- 6 (2) A list of the number of investigations by the Department, enforcement
7 actions commenced under this Chapter, and the disposition of those
8 actions.
- 9 (3) A list of those charitable organizations and sponsors that have
10 voluntarily submitted an audited financial statement pursuant to G.S.
11 131F-6(a)(10) or an audit with an opinion prepared by an independent
12 certified public accountant.
- 13 (4) A list of all solicitors licensed under this Chapter and the fixed
14 percentage of the gross revenue that the charitable organization or
15 sponsor will receive as a benefit from the solicitation campaign, the
16 reasonable estimate of the percentage of the gross revenue that the
17 charitable organization or sponsor will receive as a benefit from the
18 solicitation campaign, or the guaranteed minimum percentage of the
19 gross revenue that the charitable solicitation or sponsor will receive as
20 a benefit from the solicitation campaign as provided in the contract
21 between the solicitor and the charitable organization or sponsor,
22 whichever of these three amounts is least. This list shall appear in
23 order of percentages, from lowest to highest.

24 (d) Each year immediately following the submission of the report under
25 subsection (c) of this section, the Secretary of State shall issue that report as a press
26 release to all print and electronic news media that provide general coverage."

27 **SECTION 2.** This act becomes effective January 1, 2004.