

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1485

Chapter 199, Laws of 2011

62nd Legislature
2011 Regular Session

CHARITABLE SOLICITATIONS

EFFECTIVE DATE: 07/22/11

Passed by the House April 13, 2011
Yeas 96 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 6, 2011
Yeas 48 Nays 0

BRAD OWEN

President of the Senate

Approved April 29, 2011, 3:41 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1485** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

April 29, 2011

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1485

AS AMENDED BY THE SENATE

Passed Legislature - 2011 Regular Session

State of Washington 62nd Legislature 2011 Regular Session

By House Judiciary (originally sponsored by Representatives Rodne, Kirby, Pedersen, Johnson, and Kelley; by request of Secretary of State)

READ FIRST TIME 02/16/11.

1 AN ACT Relating to charitable solicitations; amending RCW
2 19.09.010, 19.09.020, 19.09.062, 19.09.065, 19.09.075, 19.09.079,
3 19.09.085, 19.09.097, 19.09.200, 19.09.210, 19.09.230, 19.09.271,
4 19.09.275, 19.09.276, 19.09.277, 19.09.279, 19.09.305, 19.09.315,
5 19.09.340, 19.09.355, 19.09.400, and 19.09.430; reenacting and amending
6 RCW 19.09.100; adding new sections to chapter 19.09 RCW; repealing RCW
7 19.09.076, 19.09.190, 19.09.240, 19.09.500, and 19.09.540; and
8 prescribing penalties.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 **Sec. 1.** RCW 19.09.010 and 2007 c 471 s 1 are each amended to read
11 as follows:

12 The purpose of this chapter is to:

13 (1) Provide citizens of the state of Washington with information
14 relating to (~~persons and organizations who~~) any entity that solicits
15 funds from the public for public charitable purposes in order to
16 prevent (a) deceptive and dishonest practices in the conduct of
17 soliciting funds for or in the name of charity; and (b) improper use of
18 contributions intended for charitable purposes;

1 (2) Improve the transparency and accountability of organizations
2 that solicit funds from the public for charitable purposes; and

3 (3) Develop and operate educational programs or partnerships for
4 charitable organizations, board members, and the general public that
5 help build public confidence and trust in organizations that solicit
6 funds from the public for charitable purposes.

7 **Sec. 2.** RCW 19.09.020 and 2007 c 471 s 2 are each amended to read
8 as follows:

9 When used in this chapter, unless the context otherwise requires:

10 (1) A "bona fide officer or employee" of a charitable organization
11 is one (a) whose conduct is subject to direct control by such
12 organization; (b) who does not act in the manner of an independent
13 contractor in his or her relation with the organization; and (c) whose
14 compensation is not computed on funds raised or to be raised.

15 (2) "Charitable organization" means any entity that solicits or
16 collects contributions from the general public where the contribution
17 is or is purported to be used to support a charitable purpose, but does
18 not include any commercial fund-raiser, commercial fund-raising entity,
19 commercial coventurer, or any fund-raising counsel, as defined in this
20 section. Churches and their integrated auxiliaries, and political
21 organizations are not charitable organizations, but all are subject to
22 RCW 19.09.100 (~~((12),)~~) (15)(~~(, and)~~) through (18).

23 (3) "Charitable purpose" means any religious, charitable,
24 scientific, testing for public safety, literary, or educational purpose
25 or any other purpose that is beneficial to the community, including
26 environmental, humanitarian, patriotic, or civic purposes, the support
27 of national or international amateur sports competition, the prevention
28 of cruelty to children or animals, the advancement of social welfare,
29 or the benefit of law enforcement personnel, firefighters, and other
30 persons who protect public safety. The term "charitable" is used in
31 its generally accepted legal sense and includes relief of the poor, the
32 distressed, or the underprivileged; advancement of religion;
33 advancement of education or science; erecting or maintaining public
34 buildings, monuments, or works; lessening the burdens of government;
35 lessening neighborhood tensions; eliminating prejudice and
36 discrimination; defending human and civil rights secured by law; and
37 combating community deterioration and juvenile delinquency.

1 (4) "Commercial coventurer" means any individual or corporation,
2 partnership, sole proprietorship, limited liability company, limited
3 partnership, limited liability partnership, or any other legal entity,
4 that:

5 (a) Is regularly and primarily engaged in making sales of goods or
6 services for profit directly to the general public;

7 (b) Is not otherwise regularly or primarily engaged in making
8 (~~charitable~~) solicitations in this state or otherwise raising funds
9 in this state for one or more charitable organizations;

10 (c) Represents to prospective purchasers that, if they purchase a
11 good or service from the commercial coventurer, a portion of the sales
12 price or a sum of money or some other specified thing of value will be
13 donated to a named charitable organization; and

14 (d) Does not ask purchasers to make checks or other instruments
15 payable to a named charitable organization or any entity other than the
16 commercial coventurer itself under its regular commercial name.

17 (5) "Commercial fund-raiser" or "commercial fund-raising entity"
18 means any entity that for compensation or other consideration (~~within~~
19 ~~this state~~) directly or indirectly solicits or receives contributions
20 within this state for or on behalf of any charitable organization or
21 charitable purpose, or that is engaged in the business of, or (~~is held~~
22 ~~out~~) represents to persons in this state as independently engaged in
23 the business of, soliciting or receiving contributions for such
24 purposes. However, a commercial coventurer, fund-raising counsel, or
25 consultant is not a commercial fund-raiser or commercial fund-raising
26 entity.

27 (6) "Compensation" means salaries, wages, fees, commissions, or any
28 other remuneration or valuable consideration.

29 (7) "Contribution" means the payment, donation, or promise, (~~or~~
30 ~~grant,~~) for consideration or otherwise, of any money or property of
31 any kind or value which contribution is wholly or partly induced by a
32 solicitation. Reference to dollar amounts of "contributions" or
33 "solicitations" in this chapter means in the case of payments or
34 promises to pay for merchandise or rights of any description, the value
35 of the total amount paid or promised to be paid for such merchandise or
36 rights.

37 (8) "Cost of solicitation" means and includes all direct and

1 indirect costs, expenditures, debts, obligations, salaries, wages,
2 commissions, fees, or other money or thing of value paid or incurred in
3 making a solicitation.

4 (9) "Entity" means an individual, organization, group, association,
5 partnership, corporation, agency or unit of state government, or any
6 combination thereof.

7 (10) "Fund-raising counsel" or "consultant" means any entity or
8 individual who is retained by a charitable organization, for a fixed
9 fee or rate, that is not computed on a percentage of funds raised, or
10 to be raised, under a written agreement only to plan, advise, consult,
11 or prepare materials for a solicitation of contributions in this state,
12 but who does not manage, conduct, or carry on a fund-raising campaign
13 and who does not solicit contributions or employ, procure, or engage
14 any compensated person to solicit contributions, and who does not at
15 any time have custody or control of contributions. A volunteer,
16 employee, or salaried officer of a charitable organization maintaining
17 a permanent establishment or office in this state is not a fund-raising
18 counsel. An attorney, investment counselor, or banker who advises an
19 individual, corporation, or association to make a charitable
20 contribution is not a fund-raising counsel as a result of the advice.

21 (11) "General public" or "public" means any individual or entity
22 located in Washington state without a membership or other official
23 relationship with a charitable organization before a solicitation by
24 the charitable organization.

25 (12) "Gross revenue" or "annual gross revenue" means, for any
26 accounting period, the total value of revenue, excluding unrealized
27 capital gains, but including noncash contributions of tangible,
28 personal property received by or on behalf of a charitable organization
29 from all sources, without subtracting any costs or expenses.

30 (13) "Membership" means that for the payment of fees, dues,
31 assessments, etc., an organization provides services and confers a bona
32 fide right, privilege, professional standing, honor, or other direct
33 benefit, in addition to the right to vote, elect officers, or hold
34 office. The term "membership" does not include those persons who are
35 granted a membership upon making a contribution as the result of
36 solicitation.

37 ((+13)) (14) "Other employee" of a charitable organization means
38 any person (a) whose conduct is subject to direct control by such

1 organization; (b) who does not act in the manner of any independent
2 contractor in his or her relation with the organization; and (c) who is
3 not engaged in the business of or held out to persons in this state as
4 independently engaged in the business of soliciting contributions for
5 charitable purposes or religious activities.

6 ~~((14))~~ (15) "Political organization" means those organizations
7 whose activities are subject to chapter ~~((42.17))~~ 42.17A RCW or the
8 Federal Elections Campaign Act of 1971, as amended.

9 ~~((15))~~ (16) "Religious organization" means those entities that
10 are not churches or integrated auxiliaries and includes
11 nondenominational ministries, interdenominational and ecumenical
12 organizations, mission organizations, speakers' organizations,
13 faith-based social agencies, and other entities whose principal purpose
14 is the study, practice, or advancement of religion.

15 ~~((16))~~ (17) "Secretary" means the secretary of state.

16 ~~((17))~~ (18) "Signed" means hand-written, or, if the secretary
17 adopts rules facilitating electronic filing that pertain to this
18 chapter, in the manner prescribed by those rules.

19 ~~((18))~~ (19)(a) "Solicitation" means any oral or written request
20 for a contribution, including the solicitor's offer or attempt to sell
21 any property, rights, services, or other thing in connection with
22 which:

23 (i) Any appeal is made for any charitable purpose;

24 (ii) The name of any charitable organization is used as an
25 inducement for consummating the sale; or

26 (iii) Any statement is made that implies that the whole or any part
27 of the proceeds from the sale will be applied toward any charitable
28 purpose or donated to any charitable organization.

29 (b) The solicitation shall be deemed completed when made, whether
30 or not the person making it receives any contribution or makes any
31 sale.

32 (c) "Solicitation" does not include bingo activities, raffles, and
33 amusement games conducted under chapter 9.46 RCW and applicable rules
34 of the Washington state gambling commission.

35 (20) "Solicitation report" means the financial information the
36 secretary requires pursuant to RCW 19.09.075 or 19.09.079.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 19.09 RCW
2 to read as follows:

3 The application requirements of RCW 19.09.075 do not apply to:

4 (1) Any charitable organization raising less than fifty thousand
5 dollars in any accounting year when all the activities of the
6 organization, including all fund-raising activities, are carried on by
7 persons who are unpaid for their services and no part of the charitable
8 organization's assets or income inures to the benefit of or is paid to
9 any officer, director, member, or trustee of the organization, other
10 than as part of a charitable class benefited by the charitable
11 organization.

12 (2) Appeals for funds on behalf of a specific individual named in
13 the solicitation, but only if all of the proceeds of the solicitation
14 are given to or expended for the direct benefit of that individual.

15 **Sec. 4.** RCW 19.09.062 and 2010 1st sp.s. c 29 s 11 are each
16 amended to read as follows:

17 The secretary of state (~~shall~~) must collect the following fees in
18 accordance with this chapter:

19 (1) For an application for registration as a charitable
20 organization, a fee of sixty dollars. Twenty dollars of this fee must
21 be deposited in the state general fund and the remaining forty dollars
22 must be deposited in the charitable organization education account
23 under RCW 19.09.530;

24 (2) For an annual renewal of registration as a charitable
25 organization, a fee of forty dollars. Ten dollars of this fee must be
26 deposited in the state general fund and the remaining thirty dollars
27 must be deposited in the charitable organization education account
28 under RCW 19.09.530;

29 (3) For an application for registration as a commercial fund-
30 raiser, a fee of three hundred dollars. Two hundred fifty dollars of
31 this fee must be deposited in the state general fund and the remaining
32 fifty dollars must be deposited in the charitable organization
33 education account under RCW 19.09.530;

34 (4) For an annual renewal of registration as a commercial fund-
35 raiser, a fee of two hundred twenty-five dollars. One hundred seventy-
36 five dollars of this fee must be deposited in the state general fund

1 and the remaining fifty dollars must be deposited in the charitable
2 organization education account under RCW 19.09.530;

3 (5) For a registration of a commercial fund-raiser service
4 contract, a fee of twenty dollars. Ten dollars of this fee must be
5 deposited in the state general fund and the remaining ten dollars must
6 be deposited in the charitable organization education account under RCW
7 19.09.530.

8 **Sec. 5.** RCW 19.09.065 and 1993 c 471 s 2 are each amended to read
9 as follows:

10 (1) All charitable organizations and commercial fund-raisers
11 (~~shall~~) must register with the secretary prior to conducting any
12 solicitations.

13 (2) Failure to register as required by this chapter is a violation
14 of this chapter.

15 (3) Information provided to the secretary pursuant to this chapter
16 (~~shall be~~) is a public record except as (~~otherwise stated in this~~
17 ~~chapter~~) provided by law. Social security numbers and financial
18 account numbers are not public information.

19 (4) Registration (~~shall~~) must not be considered or be represented
20 as an endorsement by the secretary or the state of Washington.

21 NEW SECTION. **Sec. 6.** A new section is added to chapter 19.09 RCW,
22 to be codified between RCW 19.09.065 and 19.09.075, to read as follows:

23 (1) Entities are deemed registered under RCW 19.09.075 or 19.09.079
24 twenty days after receipt of the registration or renewal form by the
25 secretary and may thereafter solicit contributions from the general
26 public.

27 (2) If the secretary determines that the application for initial
28 registration or renewal is incomplete, the secretary will notify the
29 applicant of the information necessary to complete the application.
30 The secretary may hold the application up to thirty days to allow the
31 applicant time to provide additional information. If the applicant
32 fails to provide complete information as requested by the secretary,
33 the applicant will be deemed unregistered and must cease all
34 solicitations as defined by this chapter.

35 (3) If an applicant fails to pay a required fee for any filing, the
36 secretary will notify the applicant of the necessary fee to complete

1 the application. The secretary may hold the application up to thirty
2 days to allow the applicant time to submit the required payment. If
3 the applicant fails to provide the required payment as requested by the
4 secretary, the applicant will be deemed unregistered and must cease all
5 solicitations as defined by this chapter.

6 NEW SECTION. **Sec. 7.** A new section is added to chapter 19.09 RCW,
7 to be codified between section 6 of this act and RCW 19.09.075, to read
8 as follows:

9 Charitable organizations must ensure that the financial information
10 included in the solicitation report fairly represents, in all material
11 respects, the financial condition and results of operations of the
12 organization as of, and for, the period presented to the secretary for
13 filing. If the financial information submitted to the secretary is
14 incorrect in any material way, it is a violation of this chapter and
15 the charitable organization may be subject to penalties as provided
16 under RCW 19.09.279.

17 **Sec. 8.** RCW 19.09.075 and 2010 1st sp.s. c 29 s 12 are each
18 amended to read as follows:

19 (1) An application for initial registration and renewal as a
20 charitable organization (~~(shall)~~) must be submitted (~~(in)~~) on the form
21 (~~(prescribed by rule)~~) approved by the secretary (~~(, containing, but not~~
22 ~~limited to, the following)~~) and must contain:

23 ~~((1))~~ (a) The name, address, and telephone number of the
24 charitable organization;

25 ~~((2))~~ (b) The name(s) under which the charitable organization
26 will solicit contributions;

27 ~~((3))~~ (c) The name, address, and telephone number of the officers
28 of or persons accepting responsibility for the charitable organization;

29 ~~((4))~~ (d) The names of the three officers or employees receiving
30 the greatest amount of compensation from the charitable organization;

31 ~~((5))~~ (e) The purpose of the charitable organization;

32 ~~((6)(a))~~ (f) Whether the organization is exempt from federal
33 income tax; and if so the organization shall attach to its application
34 a copy of the letter by which the internal revenue service granted such
35 status; (~~and~~

1 ~~(b)~~) (g) The name and address of the entity that prepares,
2 reviews, or audits the financial statement of the charitable
3 organization;

4 ~~((7))~~ (h) A solicitation report of the charitable organization
5 for the preceding, completed accounting year including:

6 ~~((a))~~ (i) The types of solicitations conducted;

7 ~~((b))~~ (ii) The ~~((total-dollar-value-of-contributions))~~ gross
8 revenue received from ~~((solicitations-and-from))~~ all ~~((other))~~ sources
9 ~~((received-on-behalf-of-the-charitable-purpose))~~ by or on behalf of the
10 charitable organization before any expenses are paid or deducted;

11 ~~((c))~~ (iii) The total ~~((amount-of-money-applied-to-charitable~~
12 ~~purposes, fund-raising costs, and other expenses; and~~

13 ~~(d)~~ The name, address, and telephone number of any commercial fund-
14 raiser used by the organization;

15 ~~(8)~~ An irrevocable appointment of the secretary to receive service
16 of process in noncriminal proceedings as provided in RCW 19.09.305; and

17 ~~(9)~~ The total revenue of the preceding fiscal year.

18 The solicitation report required to be submitted under subsection
19 ~~(7)~~ of this section shall be in the form prescribed by rule by the
20 secretary, — or — as — agreed — to — by — the — secretary — and — a — charitable
21 organization)) value of contributions received from all solicitations
22 for or on behalf of the charitable organization before any expenses are
23 paid or deducted;

24 (iv) The total value of funds expended for charitable purposes; and

25 (v) Total expenses, including expenditures for charitable purposes,
26 fund-raising costs, and administrative expenses;

27 (i) The name, address, and telephone number of any commercial fund-
28 raiser retained by the charitable organization; and

29 (j) An irrevocable appointment of the secretary to receive service
30 of process in noncriminal proceedings as provided in RCW 19.09.305; and

31 (k) Such other information the secretary deems necessary by rule.

32 (2) The governing body or committee thereof must review and accept
33 any financial report that the charitable organization may be required
34 to file with the office of the secretary.

35 (3) Charitable organizations that are required under federal tax
36 law to file an annual return in the form 990 series or any successor
37 series is not required to file a copy of such annual return with the

1 secretary: PROVIDED, That the charitable organization complies with
2 all federal tax law requirements with respect to public inspection of
3 such annual return.

4 (4) The president, treasurer, or comparable officer of the
5 organization must sign and date the application. The application
6 (~~shall~~) must be submitted with a nonrefundable filing fee established
7 in RCW 19.09.062. (~~If the secretary determines that the application~~
8 ~~is complete, the application shall be filed and the applicant deemed~~
9 ~~registered.~~)

10 (5) Charitable organizations required to register and renew under
11 this chapter must file a notice of change of information within thirty
12 days of any change in the information contained in subsection (1)(a)
13 through (k) of this section.

14 NEW SECTION. Sec. 9. A new section is added to chapter 19.09 RCW
15 to read as follows:

16 The secretary is authorized to adopt rules, in accordance with
17 chapter 34.05 RCW, that establish a set of tiered financial reporting
18 requirements for charitable organizations required to register with the
19 secretary pursuant to this chapter. Rules adopted under this section
20 must include, but not be limited to, substantially the following:

21 (1) Tier one. Charitable organizations with one million dollars or
22 less in annual gross revenue averaged over the three preceding,
23 completed accounting years must meet the financial reporting
24 requirements specified in RCW 19.09.075;

25 (2) Tier two. Charitable organizations with more than one million
26 dollars and up to three million dollars in annual gross revenue
27 averaged over the three preceding, completed accounting years must, in
28 addition to the reporting requirements in RCW 19.09.075, make one of
29 the following financial reporting requirements available to the public
30 upon request, or accessible to the public on the internet:

31 (a) The federal financial reporting form (990, 990PF, 990EZ, 990T)
32 the organization normally files with the IRS which must be prepared by
33 a certified public accountant or other professional who normally
34 prepares such forms in the ordinary course of their business; or

35 (b) An audited financial statement prepared by an independent
36 certified public accountant for the preceding accounting year;

1 (3) Tier three. Charitable organizations with more than three
2 million dollars in annual gross revenue averaged over the three
3 preceding, completed accounting years must, in addition to the
4 reporting requirements in RCW 19.09.075, obtain an independent, third-
5 party audit of its financial records for the preceding accounting year.
6 This audit report must be made available in paper form to the public
7 upon request or accessible to the public on the internet.

8 (4) The secretary may waive a tiered reporting requirement as
9 prescribed in rule.

10 **Sec. 10.** RCW 19.09.079 and 2010 1st sp.s. c 29 s 13 are each
11 amended to read as follows:

12 An application for registration and renewal as a commercial fund-
13 raiser (~~((shall))~~) must be submitted (~~((in))~~) on the form (~~((prescribed))~~)
14 approved by the secretary(~~((, containing, but not limited to, the~~
15 ~~following))~~) and must contain:

16 (1) The name, address, and telephone number of the commercial fund-
17 raising entity;

18 (2) The name(s), address(es), and telephone number(s) of the
19 owner(s) and principal officer(s) of the commercial fund-raising
20 entity;

21 (3) The name, address, and telephone number of the individual
22 responsible for the activities of the commercial fund-raising entity in
23 Washington;

24 (4) The names of the three officers or employees receiving the
25 greatest amount of compensation from the commercial fund-raising
26 entity;

27 (5) The name and address of the entity that prepares, reviews, or
28 audits the financial statement of the organization;

29 (6) A solicitation report of the commercial fund-raising entity for
30 the preceding, completed accounting year, including:

31 (a) The types of fund-raising services conducted;

32 (b) The names of charitable organizations required to register
33 under RCW (~~((19.09.065))~~) 19.09.075 for whom fund-raising services have
34 been performed;

35 (c) The total value of contributions received on behalf of
36 charitable organizations required to register under RCW (~~((19.09.065))~~)

1 19.09.075 by the commercial fund-raiser, affiliate of the commercial
2 fund-raiser, or any entity retained by the commercial fund-raiser; and

3 (d) The amount of money disbursed to charitable organizations for
4 charitable purposes, net of fund-raising costs paid by the charitable
5 organization as stipulated in any agreement between charitable
6 organizations and the commercial fund-raiser;

7 (7) The name, address, and telephone number of any other commercial
8 fund-raiser that was retained in the conduct of providing fund-raising
9 services; ~~((and))~~

10 (8) An irrevocable appointment of the secretary to receive service
11 of process in noncriminal proceedings as provided in RCW 19.09.305; and

12 (9) Such other information the secretary deems necessary by rule.

13 The application ~~((shall))~~ must be signed by an officer or owner of
14 the commercial fund-raiser and ~~((shall))~~ must be submitted with a
15 nonrefundable fee established in RCW 19.09.062. ~~((If the secretary
16 determines that the application is complete, the application shall be
17 filed and the applicant deemed registered.))~~

18 Commercial fund-raisers required to register and renew under this
19 chapter must file a notice of change of information within thirty days
20 of any change in the information contained in subsections (1) through
21 (7) and (9) of this section.

22 NEW SECTION. Sec. 11. A new section is added to chapter 19.09 RCW
23 to read as follows:

24 (1) Every commercial fund-raiser must execute a surety bond if it:

25 (a) Directly or indirectly receives contributions from the public
26 on behalf of any charitable organization;

27 (b) Is compensated based upon funds raised or to be raised, number
28 of solicitations made or to be made, or any other similar method;

29 (c) Incurs or is authorized to incur expenses on behalf of the
30 charitable organization; or

31 (d) Has not been registered with the secretary as a commercial
32 fund-raiser for the preceding accounting year.

33 (2) The surety bond must be executed as principal in the amount
34 prescribed by the secretary in rule. The issuer of the surety bond
35 must be licensed to do business in this state, and must promptly notify
36 the secretary when claims or payments are made against the bond or when
37 the bond is canceled. The bond must be filed with the secretary in the

1 form prescribed by the secretary. The bond must run to the state and
2 to any person who may have a cause of action against the obligor of
3 said bond for any malfeasance, misfeasance, or deceptive practice in
4 the conduct of solicitations.

5 The secretary may also provide by rule for the reduction and
6 reinstatement of the bond required by this section.

7 **Sec. 12.** RCW 19.09.085 and 2007 c 471 s 6 are each amended to read
8 as follows:

9 (1) Registration under this chapter (~~((shall be))~~) is effective for
10 one year or (~~((longer,))~~) as established by the secretary.

11 (2) (~~((Reregistration))~~) Renewals required under RCW 19.09.075 or
12 19.09.079 (~~((shall))~~) must be submitted to the secretary no later than
13 the date established by the secretary by rule.

14 (3) (~~((Entities required to register under this chapter shall file
15 a notice of change of information within thirty days of any change in
16 the information contained in RCW 19.09.075 (1) through (9) or 19.09.079
17 (1) through (7)).~~

18 (~~(4))~~) The secretary (~~((shall))~~) must notify entities registered under
19 this chapter of the need to (~~((reregister))~~) renew upon the expiration of
20 their current registration. The notification (~~((shall))~~) must be (~~((by
21 mail, -sent-at-least))~~) made approximately sixty days prior to the
22 expiration (~~((of their current registration))~~) date and must be made
23 through postal or electronic means. Failure to (~~((register))~~) renew
24 shall not be excused by a failure of the secretary to (~~((mail))~~) send the
25 notice or by an entity's failure to receive the notice.

26 (4) Entities required to register and renew under this chapter must
27 file a notice of change of information within thirty days of any change
28 in the information contained in RCW 19.09.075 (1)(a) through (k) or
29 19.09.079 (1) through (7) and (9).

30 (5) Entities are deemed registered under RCW 19.09.075 or 19.09.079
31 no sooner than twenty days after receipt of the registration or renewal
32 form by the secretary and may thereafter solicit contributions from the
33 general public.

34 (6) If the secretary determines that the application for initial
35 registration or renewal is incomplete, the secretary must notify the
36 applicant of the information necessary to complete the application.
37 The secretary may hold the application up to thirty days to allow the

1 applicant time to provide additional information. If the applicant
2 fails to provide complete information as requested by the secretary,
3 the applicant must be deemed unregistered and must cease all
4 solicitations as defined by this chapter.

5 (7) If an applicant fails to pay a required fee for any filing, the
6 secretary must notify the applicant of the necessary fee to complete
7 the application. The secretary may hold the application up to thirty
8 days to allow the applicant time to submit the required payment. If
9 the applicant fails to provide the required payment as requested by the
10 secretary, the applicant must be deemed unregistered and must cease all
11 solicitations as defined by this chapter.

12 **Sec. 13.** RCW 19.09.097 and 2010 1st sp.s. c 29 s 14 are each
13 amended to read as follows:

14 (1) No charitable organization may contract with a commercial fund-
15 raiser for any fund-raising service or activity unless its contract
16 requires that both parties comply with the law and permits officers of
17 the charity reasonable access to:

18 (a) The fund-raisers' financial records relating to that charitable
19 organization;

20 (b) The fund-raisers' operations including without limitation the
21 right to be present during any telephone solicitation; and

22 (c) The names of all of the fund-raisers' employees or staff who
23 are conducting fund-raising activities or (~~charitable~~) solicitations
24 on behalf of the charitable organization. In addition, the contract
25 shall specify the amount of raised funds that the charitable
26 organization will receive or the method of computing that amount, the
27 amount of compensation of the commercial fund-raiser or the method of
28 computing that amount, and whether the compensation is fixed or
29 contingent.

30 (2) Before a charitable organization may contract with a commercial
31 fund-raiser for any fund-raising service or activity, the charitable
32 organization and commercial fund-raiser shall complete and file a
33 registration form with the secretary. The registration (~~shall~~) must
34 be filed by the charitable organization (~~in~~) on the form
35 (~~prescribed~~) approved by the secretary(~~. The registration shall~~)
36 and must contain(~~, but not be limited to, the following information~~):

37 (a) The name and registration number of the commercial fund-raiser;

1 (b) ~~((The name of the surety or sureties issuing the bond required~~
2 ~~by RCW 19.09.190, the aggregate amount of such bond or bonds, the bond~~
3 ~~number(s), original effective date(s), and termination date(s);~~

4 ~~(e))~~ The name and registration number of the charitable
5 organization;

6 ~~((d))~~ (c) The name of the representative of the commercial fund-
7 raiser who will be responsible for the conduct of the fund-raising;

8 ~~((e))~~ (d) The type(s) of service(s) to be provided by the
9 commercial fund-raiser;

10 ~~((f))~~ (e) The term dates of the contract and the dates such
11 service(s) will begin and end;

12 ~~((g))~~ (f) The terms of the ~~((agreement))~~ contract between the
13 charitable organization and commercial fund-raiser relating to:

14 (i) Amount or percentages of amounts to inure to the charitable
15 organization;

16 (ii) Limitations placed on the maximum amount to be raised by the
17 fund-raiser, if the amount to inure to the charitable organization is
18 not stated as a percentage of the amount raised;

19 (iii) Costs of fund-raising that will be the responsibility of the
20 charitable organization, regardless of whether paid as a direct
21 expense, deducted from the amounts disbursed, or otherwise; and

22 (iv) The manner in which contributions received directly by the
23 charitable organization, not the result of services provided by the
24 commercial fund-raiser, will be identified and used in computing the
25 fee owed to the commercial fund-raiser; and

26 ~~((h))~~ (g) The names of any entity, other than the contracting
27 commercial fund-raiser to which ~~((more than ten percent))~~ any of the
28 total anticipated fund-raising cost is to be paid, and whether any
29 principal officer or owner of the commercial fund-raiser or relative by
30 blood or marriage thereof is an owner or officer of any such entity.

31 (3) The registration form must be submitted with a nonrefundable
32 filing fee established in RCW 19.09.062 and must be signed by an owner
33 or principal officer of the commercial fund-raiser and the president,
34 treasurer, trustee or comparable officer of the charitable
35 organization.

36 (4) A correct copy of the contract shall be filed with the
37 secretary before the commencement of any campaign.

1 (~~(4) The registration form shall be submitted with a nonrefundable~~
2 ~~filing fee established in RCW 19.09.062 and shall be signed by an owner~~
3 ~~or principal officer of the commercial fund-raiser and the president,~~
4 ~~treasurer, or comparable officer of the charitable organization.))~~)

5 (5) If the secretary determines that the application is incomplete,
6 the secretary must notify the applicant of the information necessary to
7 complete the application. The secretary may hold documents up to
8 thirty days to allow the applicant time to provide additional
9 information. If the applicant fails to provide complete information as
10 requested by the secretary, the applicant must be deemed unregistered
11 and the commercial fund-raiser must cease all solicitations under the
12 terms of the contract.

13 (6) If an applicant fails to pay the required filing fee, the
14 secretary must notify the applicant of the necessary fee to complete
15 the application. The secretary may hold the application up to thirty
16 days to allow the applicant time to submit the required payment. If
17 the applicant fails to provide the required payment as requested by the
18 secretary, the applicant must be deemed unregistered and the commercial
19 fund-raiser must cease all solicitations under the terms of the
20 contract.

21 **Sec. 14.** RCW 19.09.100 and 2007 c 471 s 8 and 2007 c 218 s 64 are
22 each reenacted and amended to read as follows:

23 All entities soliciting contributions for charitable purposes must
24 comply with the requirements of this section except entities exempted
25 from registration are not required to make the disclosures under
26 subsections (1)(c), (4)(b) or (c), and (5)(b) of this section. The
27 following conditions apply to solicitations as defined by RCW
28 19.09.020:

29 (1) (~~(A charitable organization, whether or not required to~~
30 ~~register pursuant to this chapter,)) Any entity that directly solicits
31 contributions from the public in this state (~~shall~~) must make the
32 following clear and conspicuous disclosures at the point of
33 solicitation:~~

34 (a) The name of the individual making the solicitation;

35 (b) The identity of the charitable organization and the city of the
36 principal place of business of the charitable organization;

1 (c) ~~((If requested by the solicitee,))~~ The published number ((in))
2 and web site of the office of the secretary, if requested, for the
3 donor to obtain additional financial ~~((disclosure))~~ and other
4 information on file with the secretary. The disclosure must be made
5 during an oral solicitation of a contribution, and at the same time at
6 which a written request for a contribution is made.

7 (2) A commercial fund-raiser ~~((shall))~~ must meet the required
8 disclosures described in subsection (1) of this section clearly and
9 conspicuously ~~((disclose))~~ at the point of solicitation(~~(;~~

10 ~~(a) The name of the individual making the solicitation;~~

11 ~~(b))~~ and must also disclose the name of the entity for which the
12 fund-raiser is an agent or employee and the name and city of the
13 charitable organization for which the solicitation is being
14 conducted(~~(;~~ and

15 ~~(c) If requested by the solicitee, the published number in the~~
16 ~~office of the secretary for the donor to obtain additional financial~~
17 ~~disclosure information on file with the secretary. The disclosure must~~
18 ~~be made during an oral solicitation of a contribution, and at the same~~
19 ~~time at which a written request for a contribution is made)).~~

20 (3) ~~((A person or organization soliciting charitable contributions~~
21 ~~by))~~ Telephone ((shall make)) solicitations must include the
22 disclosures required under subsection (1) or (2) of this section ~~((in~~
23 ~~the course of the solicitation but))~~ prior to asking for a ~~((commitment~~
24 ~~for a))~~ contribution ~~((from the solicitee, and))~~. The required
25 disclosures must also be provided in writing within five business days
26 to ((any solicitee that)) anyone who makes a pledge ~~((within five~~
27 ~~working days of making the pledge. If the person or organization sends~~
28 ~~any materials to the person or organization solicited before the~~
29 ~~receipt of any contribution, those materials shall include the~~
30 ~~disclosures required in subsection (1) or (2) of this section,~~
31 ~~whichever is applicable))~~ by telephone to donate.

32 (4) In the case of a solicitation by advertisement or mass
33 distribution, including postal, electronic, posters, leaflets,
34 automatic dialing machines, publications, and audio or video
35 broadcasts, it ~~((shall))~~ must be clearly and conspicuously disclosed in
36 the body of the solicitation material that:

37 (a) The solicitation is conducted by a named commercial fund-
38 raiser, if it is;

1 (b) The ~~((notice of solicitation))~~ registration required by the
2 charitable solicitation act is on file with the secretary's office; and

3 (c) The potential donor can obtain additional financial
4 ~~((disclosure))~~ and other information at a published number ~~((in))~~ or
5 web site for the office of the secretary.

6 (5) A container or vending machine displaying a solicitation must
7 ~~((also))~~ display:

8 (a) In a clear and conspicuous manner the name of the charitable
9 organization for which funds are solicited, the name, business address,
10 and telephone number of the individual ~~((and))~~ or any commercial fund-
11 raiser responsible for collecting funds placed in the containers or
12 vending machines ~~((, and the following))~~;

13 (b) The statement: "This ~~((charity))~~ organization is currently
14 registered with the secretary's office under the charitable
15 solicitation act ~~((, registration number . . .))~~ - call 1-800-332-
16 4483, if the charitable organization for which funds are solicited is
17 required to register under chapter 19.09 RCW.

18 (6) ~~((A commercial fund raiser shall not))~~ No entity may represent
19 that tickets to any fund-raising event will be donated for use by
20 another person unless all the following requirements are met:

21 (a) The ~~((commercial fund raiser))~~ entity prior to conducting a
22 solicitation has written commitments from persons stating that they
23 will accept donated tickets and specifying the number of tickets they
24 will accept;

25 (b) The written commitments are kept on file by the ~~((commercial~~
26 ~~fund raiser))~~ entity for three years and are made available to the
27 secretary, attorney general, or county prosecutor on demand;

28 (c) The contributions solicited for donated tickets may not be more
29 than the amount representing the number of ticket commitments received
30 from persons and kept on file under (a) of this subsection; and

31 (d) Not later than seven calendar days prior to the date of the
32 event for which ticket donations are solicited, the ~~((commercial fund-~~
33 ~~raiser shall))~~ entity must give all donated tickets to the persons who
34 made the written commitments to accept them.

35 (7) ~~((Each person or organization))~~ Any entity soliciting
36 charitable contributions ~~((shall))~~ must not ~~((represent))~~ misrepresent
37 orally or in writing ~~((that))~~:

1 (a) (~~The charitable contribution is tax deductible unless the~~
2 ~~charitable organization for which charitable contributions are being~~
3 ~~solicited or to which tickets for fund raising events or other services~~
4 ~~or goods will be donated, has applied for and received from the~~
5 ~~internal revenue service a letter of determination granting tax~~
6 ~~deductible status to the charitable organization~~) The tax
7 deductibility of a contribution;

8 (b) That the person soliciting the charitable contribution is a
9 volunteer or words of similar meaning or effect that create the
10 impression that the person soliciting is not a paid solicitor unless
11 such person is unpaid for his or her services;

12 (c) That the person soliciting the charitable contribution is a
13 member, staffer, helper, or employee of the charitable organization or
14 words of similar meaning or effect that create the impression that the
15 person soliciting is not a paid solicitor if the person soliciting is
16 employed, contracted, or paid by a commercial fund-raiser.

17 (8) If the charitable organization is associated with, or has a
18 name that is similar to, any unit of government (~~each person or~~
19 ~~organization~~) the entity soliciting contributions (~~shall~~) must
20 disclose to each person solicited whether the charitable organization
21 is or is not part of any unit of government and the true nature of its
22 relationship to the unit of government. This subsection does not apply
23 to a foundation or other charitable organization that is organized,
24 operated, or controlled by or in connection with a registered public
25 charity, including any governmental agency or unit, from which it
26 derives its name.

27 (9) No (~~person~~) entity may, in conducting any solicitation, use
28 the name "police," "sheriff," (~~"firefighter,"~~) "firefighters," or a
29 similar name unless properly authorized by (~~a bona fide~~) the police,
30 sheriff, or firefighter organization or police, sheriff, or fire
31 department it is representing. (~~A proper~~) Authorization (~~shall~~)
32 must be in writing and signed by two authorized officials of the
33 organization or department (~~and shall~~). The written authorization
34 must be (~~filed with the secretary~~) retained in accordance with RCW
35 19.09.200.

36 (10) (~~A person~~) An entity may not, in conducting any
37 solicitation, use the name of a federally chartered or nationally
38 recognized military veterans' service organization as determined by

1 the United States veterans' administration unless authorized in writing
2 by the highest ranking official of that organization in this state.
3 The written authorization must be retained in accordance with RCW
4 19.09.200.

5 (11) (~~(A charitable organization shall)~~) Entities must comply with
6 all local governmental regulations that apply to soliciting for or on
7 behalf of charitable organizations.

8 (12) (~~(An entity soliciting contributions for a charitable purpose~~
9 ~~shall not include in any solicitation, or in any advertising material~~
10 ~~for a solicitation, or in any promotional plan for a solicitation, any~~
11 ~~statement that is false, misleading, or deceptive. All solicitations,~~
12 ~~advertising material, and promotional plans must fully and fairly~~
13 ~~disclose the identity of the entity on whose behalf the solicitation is~~
14 ~~made.)) Any entity required to register under this chapter must not
15 engage in any solicitation for contributions unless it complies with
16 all provisions of this chapter.~~

17 (13) Solicitations (~~(shall)~~) must not be conducted by a charitable
18 organization or commercial fund-raiser that has, or if a corporation,
19 its officers, directors, or principals have, been convicted of a crime
20 involving solicitations for or on behalf of a charitable organization
21 in this state, the United States, or any other state or foreign country
22 within the past ten years or has been subject to any permanent
23 injunction or administrative order or judgment under RCW 19.86.080 or
24 19.86.090, involving a violation or violations of RCW 19.86.020, within
25 the past ten years, or of restraining a false or misleading promotional
26 plan involving solicitations for charitable organizations.

27 (14) (~~(No charitable organization or commercial fund-raiser)~~) Any
28 entity subject to this chapter (~~(may)~~) must not use or exploit the fact
29 of registration under this chapter (~~(so as)~~) to lead the public to
30 believe that registration constitutes an endorsement or approval by the
31 state, but the use of the following is not deemed prohibited:
32 "Currently registered with the Washington state secretary of state as
33 required by law. Registration number"

34 (15) (~~(No entity may engage in any solicitation for contributions~~
35 ~~for or on behalf of any charitable organization or commercial fund-~~
36 ~~raiser unless the charitable organization or commercial fund-raiser is~~
37 ~~currently registered with the secretary.~~

1 ~~(16) No charitable organization or commercial fund raiser may~~
2 ~~engage in any solicitation for contributions unless it complies with~~
3 ~~all provisions of this chapter.~~

4 ~~(17))~~ Any entity soliciting contributions for a charitable purpose
5 must not include in any solicitation, or in any advertising material
6 for a solicitation, or in any promotional plan for a solicitation, any
7 statement that is false, misleading, or deceptive. All solicitations,
8 advertising materials, and promotional plans must fully and fairly
9 disclose the identity of the entity on whose behalf the solicitation is
10 made.

11 (16) No entity may place a telephone call to a donor or potential
12 donor for the purpose of ~~((charitable-solicitation))~~ soliciting
13 contributions for a charitable purpose, before eight o'clock a.m. or
14 after nine o'clock p.m. pacific time.

15 ~~((18))~~ (17) No entity may, when contacting a donor or potential
16 donor for the purpose of ~~((charitable-solicitation))~~ soliciting
17 contributions for a charitable purpose, engage in any conduct the
18 natural consequence of which is to harass, intimidate, or torment any
19 person in connection with the contact.

20 (18) Any entity that solicits contributions may not collect or
21 attempt to collect contributions in person or by courier unless:

22 (a) The contributions are noncash items such as contributions of
23 tangible personal property; or

24 (b) The solicitations are made in person and the collections, or
25 attempts to collect, are made at the time of the solicitations; or

26 (c) The contributor has agreed to purchase goods or items in
27 connection with the solicitation and the collection or attempt to
28 collect is made at the time of delivery of the goods or items.

29 (19) Failure to comply with subsections (1) through (18) of this
30 section is a violation of this chapter.

31 **Sec. 15.** RCW 19.09.200 and 1993 c 471 s 11 are each amended to
32 read as follows:

33 (1) ~~((Charitable organizations and commercial fund raisers shall))~~
34 All entities required to register pursuant to this chapter must
35 maintain accurate, current, and readily available books and records at
36 their usual business locations until at least three years have elapsed
37 following the effective period to which they relate. The books and

1 records must contain, at a minimum, documentation supporting the
2 information contained in the solicitation report and written
3 authorization or authorizations required in RCW 19.09.100.

4 (2) All contracts between commercial fund-raisers and charitable
5 organizations (~~shall~~) must be in writing, and true and correct copies
6 of such contracts or records thereof (~~shall~~) must be kept on file in
7 the various offices of the charitable organization and the commercial
8 fund-raiser for a three-year period. Such records and contracts shall
9 be available for inspection and examination by the secretary of state,
10 attorney general, or by the county prosecuting attorney. A copy of
11 such contract or record (~~shall~~) must be submitted by the charitable
12 organization or commercial fund-raiser, within ten days, following
13 receipt of a written demand (~~therefor~~) from the secretary of state,
14 attorney general, or county prosecutor.

15 **Sec. 16.** RCW 19.09.210 and 2007 c 471 s 9 are each amended to read
16 as follows:

17 Upon the request of the secretary of state, attorney general, or
18 the county prosecutor, (~~a charitable organization or commercial fund-~~
19 ~~raiser shall~~) any entity subject to this chapter must submit a
20 financial statement and all requested records containing, but not
21 limited to, the following information:

22 (1) The gross amount of the contributions pledged and the gross
23 amount collected.

24 (2) The amount thereof, given or to be given to charitable purposes
25 represented together with details as to the manner of distribution as
26 may be required.

27 (3) The aggregate amount paid and to be paid for the expenses of
28 such solicitation.

29 (4) The amounts paid to and to be paid to commercial fund-raisers
30 or charitable organizations.

31 (5) Copies of any annual or periodic reports furnished by the
32 charitable organization or commercial fund-raiser of its activities
33 during or for the same (~~fiscal~~) accounting period.

34 **Sec. 17.** RCW 19.09.230 and 1994 c 287 s 3 are each amended to read
35 as follows:

1 No (~~charitable organization, commercial fund-raiser, or other~~)
2 entity subject to this chapter may (~~knowingly~~):

3 (1) Use (~~the~~) an identical or deceptively similar name, symbol,
4 statement, or emblem so closely related or similar that its use would
5 confuse or mislead the public, of any other entity for the purpose of
6 soliciting contributions from persons in this state without the written
7 consent of such other entity. (~~If the official name or the "doing~~
8 business name" being registered is the same or deceptively similar as
9 that of another entity, the secretary may request that a copy of the
10 written consent from that entity be filed with the registration. Such
11 consent may be deemed to have been given by anyone who is a director,
12 trustee, or other authorized officer of that entity. A copy of the
13 written consent must be kept on file by the charitable organization or
14 commercial fund-raiser and made available to the secretary, attorney
15 general, or county prosecutor upon demand. A person)) Written consent
16 may be deemed to have been given by anyone who is a director, trustee,
17 or other authorized officer of that entity.

18 (2) A copy of the written consent must be retained on file by the
19 charitable organization or commercial fund-raiser and made available to
20 the secretary, attorney general, or county prosecutor upon demand. The
21 secretary may revoke or deny an application for registration that
22 violates this section.

23 (3) An entity may be deemed to have used the name of another
24 (~~person~~) entity for the purpose of soliciting contributions if such
25 latter (~~person's~~) entity's name is listed on any stationery,
26 advertisement, brochure, or correspondence of the (~~charitable~~
27 ~~organization or person~~) entity or if such name is listed or
28 represented to anyone who has contributed to, sponsored, or endorsed
29 the (~~charitable organization or person~~) entity, or its (~~or his~~)
30 activities.

31 (~~The secretary may revoke or deny any application for registration~~
32 ~~that violates this section.)) This section does not apply to a~~

33 foundation or other charitable organization that is organized,
34 operated, or controlled by or in connection with a registered public
35 charity, including any governmental agency or unit, from which it
36 derives its name.

1 **Sec. 18.** RCW 19.09.271 and 1993 c 471 s 8 are each amended to read
2 as follows:

3 (1) If the secretary or attorney general determines that any entity
4 is soliciting in this state, directly or indirectly, by any means, and
5 has not registered with the secretary as required by this chapter, the
6 secretary may notify the charitable organization or commercial fund-
7 raiser of its registration requirements by postal or electronic means.

8 (2) The secretary may notify the attorney general of any entity
9 liable for late filing fees under subsection (1) of this section.

10 (3) Any (~~charitable organization or commercial fund-raiser~~)
11 entity who, after notification by the secretary, fails to properly
12 register under this chapter is subject to a late filing fee in an
13 amount to be established by rule by the end of the first business day
14 following the issuance of the notice (~~, is liable for a late filing fee~~
15 ~~in an amount to be established by rule of the secretary~~). The late
16 filing fee is in addition to any other filing fee provided by this
17 chapter.

18 (~~(2) The secretary shall notify the attorney general of any entity~~
19 ~~liable for late filing fees under subsection (1) of this section.~~) (4)
20 If the secretary or attorney general determines that any entity is
21 soliciting in this state, directly or indirectly, by any means, and the
22 entity has not registered with the secretary as required by this
23 chapter, the secretary, after five days notice sent by postal or
24 electronic means to the charitable organization or commercial fund-
25 raiser, may publish a press release in newspapers or on the internet,
26 a notice to the public regarding the entity's unregistered status.

27 **Sec. 19.** RCW 19.09.275 and 2003 c 53 s 142 are each amended to
28 read as follows:

29 (1) Any (~~person~~) entity who knowingly violates any provision of
30 this chapter or who knowingly gives false or incorrect information to
31 the secretary, attorney general, or county prosecuting attorney in
32 filing statements required by this chapter, whether or not such
33 statement or report is verified is guilty of a gross misdemeanor
34 punishable under chapter 9A.20 RCW.

35 (2) Any (~~person~~) entity who violates any provisions of this
36 chapter or who gives false or incorrect information to the secretary,
37 attorney general, or county prosecuting attorney in filing statements

1 required by this chapter, whether or not such statement or report is
2 verified, is guilty of a misdemeanor punishable under chapter 9A.20
3 RCW.

4 **Sec. 20.** RCW 19.09.276 and 1994 c 287 s 4 are each amended to read
5 as follows:

6 The secretary may waive penalties that have been set by rule and
7 assessed by the secretary due from a registered (~~(charitable~~
8 ~~organization)) entity previously in good standing that would otherwise
9 be penalized. (~~(A charitable organization)) An entity desiring to seek
10 relief under this section must, within fifteen days of discovery of the
11 missed filing or lapse by its (~~(corporate-officials)) officers,~~
12 ~~directors,~~ or other (~~(authorized officer of)) persons responsible for~~
13 the missed filing or lapse, notify the secretary in writing. The
14 notification must include the name and mailing address of the
15 organization, the organization's officer to whom correspondence should
16 be sent, and a statement under oath by a responsible officer of the
17 organization, setting forth the nature of the missed filing or lapse,
18 the circumstances giving rise to the missed filing or lapse, and the
19 relief sought. Upon receipt of the notice, the secretary shall
20 investigate the circumstances of the missed filing or lapse. If the
21 secretary is satisfied that sufficient exigent or mitigating
22 circumstances exist, that the (~~(organization)) entity has demonstrated~~
23 good faith and a reasonable attempt to comply with the applicable
24 (~~(corporate)) charitable solicitation statute(~~(s))~~) of this state, the
25 secretary may issue an order allowing relief from the penalty. If the
26 secretary determines the request does not comply with the requirements
27 for relief, the secretary shall deny the relief and state the reasons
28 for the denial. Notwithstanding chapter 34.05 RCW, a denial of relief
29 by the secretary is not reviewable.~~~~~~

30 **Sec. 21.** RCW 19.09.277 and 1993 c 471 s 20 are each amended to
31 read as follows:

32 If it appears to the attorney general that (~~(a person)) an entity~~
33 has engaged or is about to engage in an act or practice constituting a
34 violation of a provision of this chapter or a rule adopted or order
35 issued under this chapter, the attorney general may, in the attorney
36 general's discretion, issue an order directing the (~~(person)) entity to~~

1 cease and desist from continuing the act or practice. Reasonable
2 notice of and opportunity for a hearing shall be given. The attorney
3 general may issue a temporary order pending the hearing, which shall
4 remain in effect until ten days after the hearing is held and which
5 shall become final if the ((person)) entity to whom the notice is
6 addressed does not request a hearing within fifteen days after the
7 receipt of the notice.

8 **Sec. 22.** RCW 19.09.279 and 2002 c 74 s 3 are each amended to read
9 as follows:

10 (1) The secretary may assess against any ((person or organization
11 who)) entity that violates this chapter, or any rule adopted under this
12 chapter, a civil penalty of not more than one thousand dollars for each
13 violation.

14 (2) ((Such person or organization shall)) The entity must be
15 afforded the opportunity for a hearing, upon request made to the
16 secretary within thirty days after the date of issuance of the notice
17 of assessment. The hearing shall be conducted in accordance with
18 chapter 34.05 RCW.

19 (3) If any ((person)) entity fails to pay an assessment after it
20 has become a final and unappealable order, or after the court has
21 entered final judgment in favor of the state, the attorney general may
22 recover the amount assessed by action in the appropriate superior
23 court. In such action, the validity and appropriateness of the final
24 order imposing the penalty shall not be subject to review.

25 **Sec. 23.** RCW 19.09.305 and 1993 c 471 s 16 are each amended to
26 read as follows:

27 When ((a person or an organization)) an entity registered under
28 this chapter, or its president, treasurer, or comparable officers,
29 cannot be found after reasonably diligent effort, the secretary of
30 state ((shall)) must be an agent of such ((person or organization))
31 entity upon whom process may be served. Service on the secretary
32 ((shall)) must be made by delivering to the secretary or the
33 secretary's designee duplicate copies of such process, and a filing fee
34 to be established by rule of the secretary. Thereupon, the secretary
35 ((shall)) must immediately cause one of the copies ((thereof)) to be

1 forwarded to the registrant at the most current address shown in the
2 secretary's files. Any service (~~(so had)~~) on the secretary (~~(shall)~~)
3 must be returnable in not less than thirty days.

4 Any fee under this section (~~(shall)~~) may be taxable as costs in the
5 action.

6 The secretary (~~(shall)~~) must maintain a record of all process
7 served on the secretary under this section, and (~~(shall)~~) must record
8 the date of service and the secretary's action (~~(with reference~~
9 ~~thereto)~~).

10 Nothing in this section limits or affects the right to serve
11 process required or permitted to be served on a registrant in any other
12 manner now or hereafter permitted by law.

13 **Sec. 24.** RCW 19.09.315 and 1993 c 471 s 17 are each amended to
14 read as follows:

15 (1) The secretary may establish, by rule, standard forms and
16 procedures for the efficient administration of this chapter.

17 (2) The secretary may provide by rule for the filing of a financial
18 statement by registered entities.

19 (3) The secretary may issue such publications, reports, or
20 information from the records as may be useful to the solicited public
21 and charitable organizations. To defray the costs of any such
22 publication, the secretary is authorized to charge a reasonable fee to
23 cover the costs of preparing, printing, and distributing such
24 publications, in accordance with RCW 43.07.130.

25 **Sec. 25.** RCW 19.09.340 and 1983 c 265 s 12 are each amended to
26 read as follows:

27 (1) (~~(The commission by any person of an act or practice prohibited~~
28 ~~by this chapter is hereby declared to be an unfair act or practice or~~
29 ~~unfair method of competition in the conduct of trade or commerce for~~
30 ~~the purpose of application of the Consumer Protection Act, chapter~~
31 ~~19.86 RCW.)) The legislature finds that the practices covered by this
32 chapter are matters vitally affecting the public interest for the
33 purpose of applying the consumer protection act, chapter 19.86 RCW. A
34 violation of this chapter is not reasonable in relation to the
35 development and preservation of business and is an unfair or deceptive~~

1 act in trade or commerce and an unfair method of competition for the
2 purpose of applying the consumer protection act, chapter 19.86 RCW.

3 (2) The secretary may refer such evidence, as may be available,
4 concerning violations of this chapter to the attorney general or the
5 prosecuting attorney of the county wherein the alleged violation arose.
6 In addition to any other action they might commence, the attorney
7 general or the county prosecuting attorney may bring an action in the
8 name of the state, with or without such reference, against any
9 ((~~person~~)) entity to restrain and prevent the doing of any act or
10 practice prohibited by this chapter: PROVIDED, That this chapter shall
11 be considered in conjunction with chapters 9.04 and 19.86 RCW, as now
12 or hereafter amended, and the powers and duties of the attorney general
13 and the prosecuting attorney as they may appear in the aforementioned
14 chapters, shall apply against all ((~~persons~~)) entities subject to this
15 chapter.

16 **Sec. 26.** RCW 19.09.355 and 2010 1st sp.s. c 29 s 15 are each
17 amended to read as follows:

18 Except as otherwise provided in this chapter, all fees and other
19 moneys received by the secretary of state under this chapter ((~~shall~~))
20 must be transmitted to the state treasurer for deposit in the state
21 general fund.

22 **Sec. 27.** RCW 19.09.400 and 1993 c 471 s 18 are each amended to
23 read as follows:

24 The attorney general, in the attorney general's discretion, may:

25 (1) Annually, or more frequently, make such public or private
26 investigations within or without this state as the attorney general
27 deems necessary to determine whether any registration should be
28 granted, denied, revoked, or suspended, or whether any ((~~person~~))
29 entity has violated or is about to violate a provision of this chapter
30 or any rule adopted or order issued under this chapter, or to aid in
31 the enforcement of this chapter or in the prescribing of rules and
32 forms under this chapter; and

33 (2) Publish information concerning a violation of this chapter or
34 a rule adopted or order issued under this chapter.

1 **Sec. 28.** RCW 19.09.430 and 1993 c 471 s 22 are each amended to
2 read as follows:

3 The administrative procedure act, chapter 34.05 RCW, (~~shall~~)
4 wherever applicable governs the rights, remedies, and procedures
5 respecting the administration of this chapter.

6 NEW SECTION. **Sec. 29.** The following acts or parts of acts are
7 each repealed:

8 (1) RCW 19.09.076 (Charitable organizations--Application for
9 registration--Exemptions--Soliciting contributions) and 2007 c 471 s 4,
10 1994 c 287 s 1, 1993 c 471 s 4, & 1986 c 230 s 5;

11 (2) RCW 19.09.190 (Commercial fund-raisers--Surety bond) and 1993
12 c 471 s 10, 1986 c 230 s 16, 1983 c 265 s 16, 1982 c 227 s 8, 1977
13 ex.s. c 222 s 9, & 1973 1st ex.s. c 13 s 19;

14 (3) RCW 19.09.240 (Using similar name, symbol, emblem, or
15 statement) and 1993 c 471 s 14, 1986 c 230 s 15, & 1973 1st ex.s. c 13
16 s 24;

17 (4) RCW 19.09.500 (Charitable organizations--Financial reports and
18 information) and 2007 c 471 s 11; and

19 (5) RCW 19.09.540 (Rules--Tiered independent financial reporting)
20 and 2007 c 471 s 15.

21 NEW SECTION. **Sec. 30.** If any provision of this act or its
22 application to any person or circumstance is held invalid, the
23 remainder of the act or the application of the provision to other
24 persons or circumstances is not affected.

Passed by the House April 13, 2011.
Passed by the Senate April 6, 2011.
Approved by the Governor April 29, 2011.
Filed in Office of Secretary of State April 29, 2011.