
SECOND SUBSTITUTE SENATE BILL 5237

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators M. Rasmussen, A. Smith, Nelson, Winsley, Haugen, von Reichbauer, Oke, Roach and Spanel; by request of Attorney General and Secretary of State)

Read first time 03/01/93.

1 AN ACT Relating to charitable solicitations; amending RCW
2 19.09.020, 19.09.065, 19.09.075, 19.09.076, 19.09.079, 19.09.085,
3 19.09.097, 19.09.271, 19.09.100, 19.09.190, 19.09.200, 19.09.210,
4 19.09.230, 19.09.240, 19.09.275, 19.09.305, 19.09.315, 11.110.010,
5 11.110.040, 11.110.050, 11.110.060, 11.110.070, 11.110.075, 11.110.080,
6 11.110.125, and 11.110.130; adding a new section to chapter 43.07 RCW;
7 adding new sections to chapter 19.09 RCW; creating new sections;
8 repealing RCW 19.09.078; prescribing penalties; providing an effective
9 date; and declaring an emergency.

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

11 **Sec. 1.** RCW 19.09.020 and 1986 c 230 s 2 are each amended to read
12 as follows:

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

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

1 (2) "Charitable organization" means any entity that solicits or
2 collects contributions from the general public where the contribution
3 is or is purported to be used to support a charitable activity, but
4 does not include any commercial fund raiser or commercial fund-raising
5 entity as defined in this section. "Charitable" (a) is not limited to
6 its common law meaning unless the context clearly requires a narrower
7 meaning; (b) does not include religious or political activities; and
8 (c) includes, but is not limited to, educational, recreational, social,
9 patriotic, legal defense, benevolent, ~~((or))~~ and health causes.

10 (3) "Compensation" means salaries, wages, fees, commissions, or any
11 other remuneration or valuable consideration.

12 (4) "Contribution" means the payment, donation, promise or grant,
13 for consideration or otherwise, of any money or property of any kind or
14 value which contribution is wholly or partly induced by a solicitation.
15 Reference to dollar amounts of "contributions" or "solicitations" in
16 this chapter means in the case of payments or promises to pay for
17 merchandise or rights of any description, the value of the total amount
18 paid or promised to be paid for such merchandise or rights less the
19 reasonable purchase price to the charitable organization of any such
20 tangible merchandise, rights, or services resold by the organization,
21 and not merely that portion of the purchase price to be applied to a
22 charitable purpose.

23 (5) "Cost of solicitation" means and includes all direct and
24 indirect costs, expenditures, debts, obligations, salaries, wages,
25 commissions, fees, or other money or thing of value paid or incurred in
26 making a solicitation. Cost of solicitation does not include the
27 reasonable purchase price to the charitable organization of any
28 tangible goods or services resold by the organization as a part of its
29 fund raising activities.

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

33 (7) "General public" or "public" means any individual located in
34 Washington state without a membership or other official relationship
35 with a charitable organization before a solicitation by the charitable
36 organization.

37 (8) "~~((Independent))~~ Commercial fund raiser" or "~~((independent))~~
38 commercial fund-raising entity" means any entity that for compensation
39 or other consideration ~~((, plans, conducts, manages, or administers any~~

1 ~~drive or campaign in this state for the purpose of soliciting))~~ within
2 this state directly or indirectly solicits or receives contributions
3 for or on behalf of any charitable organization or charitable ((~~or~~
4 ~~religious~~)) purpose, or that is engaged in the business of or is held
5 out to persons in this state as independently engaged in the business
6 of soliciting or receiving contributions for such purposes(~~(, or the~~
7 ~~business of planning, conducting, managing, or carrying on any drive or~~
8 ~~campaign in this state for such solicitations))~~. However, ((~~a~~
9 ~~nonprofit fund raiser or bona fide officer or other employee of a~~
10 ~~charitable organization)) the following shall not be deemed ((~~an~~
11 ~~independent~~)) a commercial fund raiser or "commercial fund-raising
12 entity": (a) Any entity that provides fund-raising advice or
13 consultation to a charitable organization within this state but neither
14 directly nor indirectly solicits or receives any contribution for or on
15 behalf of any such charitable organization; and (b) a bona fide officer
16 or other employee of a charitable organization.~~

17 (9) "Membership" means that for the payment of fees, dues,
18 assessments, etc., an organization provides services and confers a bona
19 fide right, privilege, professional standing, honor, or other direct
20 benefit, in addition to the right to vote, elect officers, or hold
21 office. The term "membership" does not include those persons who are
22 granted a membership upon making a contribution as the result of
23 solicitation.

24 (10) (~~("Nonprofit fund raiser" means an entity registered as a~~
25 ~~nonprofit corporation under Title 24 RCW, or any entity exempt from~~
26 ~~federal income tax under section 501(c) of the Internal Revenue Code,~~
27 ~~that solicits and receives contributions exceeding five thousand~~
28 ~~dollars in any accounting year on behalf of a charitable or religious~~
29 ~~organization other than the nonprofit corporation.~~

30 (~~11~~)) "Other employee" of a charitable organization means any
31 person (a) whose conduct is subject to direct control by such
32 organization; (b) who does not act in the manner of any independent
33 contractor in his or her relation with the organization; and (c) who is
34 not engaged in the business of or held out to persons in this state as
35 independently engaged in the business of soliciting contributions for
36 charitable or religious purposes.

37 (~~12~~)) (11) "Parent organization" means that part of a charitable
38 organization that coordinates, supervises, or exercises control over
39 policy, fund raising, or expenditures, or assists or advises one or

1 more related foundations, supporting organizations, chapters, branches,
2 or affiliates of such organization in the state of Washington.

3 ~~((13))~~ (12) "Political activities" means those activities subject
4 to chapter 42.17 RCW or the Federal Elections Campaign Act of 1971, as
5 amended.

6 ~~((14))~~ (13) "Religious activities" means those religious,
7 evangelical, or missionary activities under the direction of a
8 religious organization duly organized and operating in good faith that
9 are entitled to receive a declaration of current tax exempt status for
10 religious purposes from the United States government and the duly
11 organized branches or chapters of those organizations.

12 ~~((15))~~ (14) "Secretary" means the secretary of state.

13 ~~((16))~~ (15) "Solicitation" means any oral or written request for
14 a contribution, including the solicitor's offer or attempt to sell any
15 property, rights, services, or other thing in connection with which:

16 (a) Any appeal is made for any charitable purpose; or

17 (b) The name of any charitable organization is used as an
18 inducement for consummating the sale; or

19 (c) Any statement is made that implies that the whole or any part
20 of the proceeds from the sale will be applied toward any charitable
21 purpose or donated to any charitable organization.

22 The solicitation shall be deemed completed when made, whether or
23 not the person making it receives any contribution or makes any sale.

24 Bingo activities, raffles, and amusement games conducted under
25 chapter 9.46 RCW and applicable rules of the Washington state gambling
26 commission are specifically excluded and shall not be deemed a
27 solicitation under this chapter.

28 **Sec. 2.** RCW 19.09.065 and 1986 c 230 s 3 are each amended to read
29 as follows:

30 (1) All charitable organizations(~~(, independent)~~) and commercial
31 fund raisers(~~(, and nonprofit fund raisers, as defined in RCW~~
32 ~~19.09.020,)~~) shall register with the secretary prior to conducting any
33 solicitations.

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

36 (3) Information provided to the secretary pursuant to this chapter
37 shall be a public record except as otherwise stated in this chapter.

1 (4) Registration shall not be considered or be represented as an
2 endorsement by the secretary or the state of Washington.

3 **Sec. 3.** RCW 19.09.075 and 1986 c 230 s 4 are each amended to read
4 as follows:

5 An application for registration as a charitable organization shall
6 be submitted in the form prescribed by rule by the secretary,
7 containing, but not limited to, the following:

8 (1) The name, address, and telephone number of the charitable
9 organization;

10 (2) The name(s) under which the organization will solicit
11 contributions;

12 (3) The name, address, and telephone number of the officers of or
13 persons accepting responsibility for the organization;

14 (4) The names of the three officers or employees receiving the
15 greatest amount of compensation from the organization;

16 (5) The purpose of the organization;

17 (6)(a) Whether the organization is exempt from federal income tax;
18 and if so the organization shall attach to its application a copy of
19 the letter by which the internal revenue service granted such status;
20 and

21 ~~(b) ((Whether the financial affairs of the organization are audited~~
22 ~~by an independent entity and, if so,))~~ The name and address of the
23 entity that prepares, reviews, or audits the financial statement of the
24 organization;

25 (7) A solicitation report of the organization for the preceding
26 accounting year including:

27 (a) The number and types of solicitations conducted;

28 (b) The total dollar value of support received from solicitations
29 and from all other sources received on behalf of the charitable purpose
30 of the charitable organization;

31 (c) The total amount of money applied to charitable purposes, fund
32 raising costs, and other expenses;

33 (d) The name, address, and telephone number of any ~~((independent))~~
34 commercial fund raiser used by the organization; ((and))

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

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

1 (~~The requirements of subsection (7) (b) and (c) of this section~~
2 ~~may be satisfied by the submission of such federal tax forms as may be~~
3 ~~approved by rule of the secretary.~~) The solicitation report required
4 to be submitted under subsection (7) of this section shall be in the
5 form prescribed by rule by the secretary, or as agreed to by the
6 secretary and a charitable organization or a group of charitable
7 organizations. A consolidated application for registration may, at the
8 option of the charitable organization, be submitted by a parent
9 organization for itself and any or all of its related foundations,
10 supporting organizations, chapters, branches, or affiliates in the
11 state of Washington.

12 The application shall be signed by the president, treasurer, or
13 comparable officer of the organization (~~and~~) whose signature shall be
14 notarized. The application shall be submitted with a nonrefundable(~~7~~
15 ten-dollar) filing fee which shall be in an amount to be established
16 by the secretary by rule. In determining the amount of this
17 application fee, the secretary may consider factors such as the
18 entity's annual budget and its federal income tax status. If the
19 secretary determines that the application is complete, the application
20 shall be filed and the applicant deemed registered.

21 The secretary shall notify the director of veterans' affairs upon
22 receipt of an application for registration as a charitable organization
23 from an entity that purports to raise funds to benefit veterans of the
24 United States military services. The director of veterans' affairs may
25 advise the secretary and the attorney general of any information,
26 reports, or complaints regarding such an organization.

27 **Sec. 4.** RCW 19.09.076 and 1986 c 230 s 5 are each amended to read
28 as follows:

29 The application requirements of RCW 19.09.075 do not apply to the
30 following:

31 (1) Any charitable organization raising less than five thousand
32 dollars in any accounting year when all the activities of the
33 organization, including all fund raising activities, are carried on by
34 persons who are unpaid for their services and no part of the charitable
35 organization's assets or income inures to the benefit of or is paid to
36 any officer or member of the organization;

37 (2) Any charitable organization located outside of the state of
38 Washington if the organization files the following with the secretary:

1 (a) The registration documents required under the charitable
2 solicitation laws of the state in which the charitable organization is
3 located;

4 (b) The registration required under the charitable solicitation
5 laws of the state of California and the state of New York; and

6 (c) Such federal income tax forms as may be required by rule of the
7 secretary.

8 All entities soliciting charitable donations shall comply with the
9 requirements of RCW 19.09.100.

10 **Sec. 5.** RCW 19.09.079 and 1986 c 230 s 7 are each amended to read
11 as follows:

12 An application for registration as ~~((an independent))~~ a commercial
13 fund raiser shall be submitted in the form prescribed by the secretary,
14 containing, but not limited to, the following:

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

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

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

23 (4) A list of states and Canadian provinces in which fund raising
24 has been performed;

25 (5) The names of the three officers or employees receiving the
26 greatest amount of compensation from the ~~((independent))~~ commercial
27 fund-raising entity;

28 ~~((Whether the financial affairs of the independent fund raiser
29 are audited by an independent entity, and, if so,))~~ The name and
30 address of the entity that prepares, reviews, or audits the financial
31 statement of the organization;

32 (7) A solicitation report of the ~~((independent))~~ commercial fund-
33 raising entity for the preceding accounting year, including:

34 (a) The number and types of fund raising services conducted;

35 (b) The names of charitable organizations required to register
36 under RCW 19.09.065 for whom fund raising services have been performed;

37 (c) The total value of contributions received on behalf of
38 charitable organizations required to register under RCW 19.09.065 by

1 the ~~((independent))~~ commercial fund raiser, affiliate of the
2 ~~((independent))~~ commercial fund raiser, or any entity retained by the
3 ~~((independent))~~ commercial fund raiser; and

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

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

11 (9) An irrevocable appointment of the secretary to receive service
12 of process in noncriminal proceedings as provided in RCW 19.09.305.

13 The application shall be signed by an officer or owner of the
14 ~~((independent))~~ commercial fund raiser and shall be submitted with a
15 nonrefundable(~~(, fifty dollar filing)~~) fee in an amount to be
16 established by rule of the secretary. If the secretary determines that
17 the application is complete, the application shall be filed and the
18 applicant deemed registered.

19 **Sec. 6.** RCW 19.09.085 and 1986 c 230 s 8 are each amended to read
20 as follows:

21 (1) Registration under this chapter shall be effective for one
22 year(~~(, or the end of the organization's accounting year, whichever~~
23 ~~comes first)~~) or longer, as established by the secretary.

24 (2) Reregistration required under RCW 19.09.075 ~~((and 19.09.078))~~
25 or 19.09.079 shall be ~~((received by))~~ submitted to the secretary no
26 later than the ~~((fifteenth day of the fifth month after the~~
27 ~~organization's accounting period ends))~~ date established by the
28 secretary by rule.

29 (3) ~~((Reregistration required under RCW 19.09.079 shall be received~~
30 ~~by the secretary no later than the fifteenth day of the third month~~
31 ~~after the organization's accounting period ends.~~

32 ~~(4))~~ Entities required to register under this chapter shall file
33 a notice of change of information within thirty days of any change in
34 the information contained in RCW 19.09.075 (1) through (6)~~((7))~~ or
35 19.09.079 (1) through (6)~~((, or 19.09.078 (1) through (4))~~).

36 ~~((5))~~ (4) The secretary ~~((may))~~ shall notify entities registered
37 under this chapter of the need to reregister upon the expiration of
38 their current registration. The notification shall be by mail, sent at

1 least sixty days prior to the expiration of their current registration.
2 Failure to register shall not be excused by a failure of the secretary
3 to mail the notice or by an entity's failure to receive the notice.

4 **Sec. 7.** RCW 19.09.097 and 1986 c 230 s 10 are each amended to read
5 as follows:

6 (1) No charitable organization may contract with a commercial fund
7 raiser for any fund raising service or activity unless its contract
8 requires that both parties comply with the law and permits officers of
9 the charity reasonable access to: (a) The fund raisers' financial
10 records relating to that charitable organization; and (b) the fund
11 raisers' operations including without limitation the right to be
12 present during any telephone solicitation. In addition, the contract
13 shall specify the amount of raised funds that the charitable
14 organization will receive or the method of computing that amount, the
15 amount of compensation of the commercial fund raiser or the method of
16 computing that amount, and whether the compensation is fixed or
17 contingent.

18 (2) Before (~~contracting~~) a charitable organization may contract
19 with a commercial fund raiser for any fund raising service or activity,
20 the charitable organization and (~~independent~~) commercial fund raiser
21 shall complete a registration form. The registration shall be filed by
22 the charitable organization with the secretary, in the form prescribed
23 by the secretary, within five working days of the execution of the
24 contract containing, but not limited to the following information:

25 (~~(1)~~) (a) The name and registration number of the (~~independent~~)
26 commercial fund raiser;

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

31 (~~(3)~~) (c) The name and registration number of the charitable
32 organization;

33 (~~(4)~~) (d) The name of the representative of the (~~independent~~)
34 commercial fund raiser who will be responsible for the conduct of the
35 fund raising;

36 (~~(5)~~) (e) The type(s) of service(s) to be provided by the
37 (~~independent~~) commercial fund raiser;

38 (~~(6)~~) (f) The dates such service(s) will begin and end;

1 (~~(7)~~) (g) The terms of the agreement between the charitable
2 organization and (~~independent~~) commercial fund raiser relating to:
3 (~~(a)~~) (i) Amount or percentages of amounts to inure to the
4 charitable organization;
5 (~~(b)~~) (ii) Limitations placed on the maximum amount to be raised
6 by the fund raiser, if the amount to inure to the charitable
7 organization is not stated as a percentage of the amount raised;
8 (~~(c)~~) (iii) Costs of fund raising that will be the responsibility
9 of the charitable organization, regardless of whether paid as a direct
10 expense, deducted from the amounts disbursed, or otherwise; and
11 (~~(d)~~) (iv) The manner in which contributions received directly by
12 the charitable organization, not the result of services provided by the
13 (~~independent~~) commercial fund raiser, will be identified and used in
14 computing the fee owed to the (~~independent~~) commercial fund raiser;
15 and
16 (~~(8)~~) (h) The names of any entity to which more than ten percent
17 of the total anticipated fund raising cost is to be paid, and whether
18 any principal officer or owner of the (~~independent~~) commercial fund
19 raiser or relative by blood or marriage thereof is an owner or officer
20 of any such entity.

21 (3) A correct copy of the contract shall be filed with the
22 secretary before the commencement of any campaign.

23 (4) The registration form shall be submitted with a
24 nonrefundable(~~(, five dollar)~~) filing fee in an amount to be
25 established by rule of the secretary and shall be signed by an owner or
26 principal officer of the (~~independent~~) commercial fund raiser and the
27 president, treasurer, or comparable officer of the charitable
28 organization.

29 **Sec. 8.** RCW 19.09.271 and 1986 c 230 s 17 are each amended to read
30 as follows:

31 (1) Any charitable organization(~~(, nonprofit fund raiser,)~~) or
32 (~~independent~~) commercial fund raiser who, after notification by the
33 secretary, fails to properly register under this chapter by the end of
34 the first business day following the issuance of the notice, is liable
35 for a late filing fee (~~(of five dollars per day from the date of the~~
36 ~~notice until the registration is properly completed and filed)~~) in an
37 amount to be established by rule of the secretary. The late filing fee
38 is in addition to any other filing fee provided by this chapter.

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

3 **Sec. 9.** RCW 19.09.100 and 1986 c 230 s 11 are each amended to read
4 as follows:

5 The following conditions apply to solicitations as defined by RCW
6 19.09.020:

7 ~~(1) ((Each person or organization soliciting charitable~~
8 ~~contributions shall disclose orally or in writing to each person or~~
9 ~~organization solicited:~~

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

11 ~~(b) The name of the charitable organization;~~

12 ~~(c) The purpose of the solicitation, and the name of the~~
13 ~~organization that will receive the funds contributed; and~~

14 ~~(d) Whether the charitable organization is or is not properly~~
15 ~~registered under this chapter, and if registered, that information~~
16 ~~relating to its financial affairs is available by contacting the office~~
17 ~~of the secretary of state, giving the secretary's toll-free telephone~~
18 ~~number, if available.~~

19 ~~(2) Each person or organization soliciting charitable contributions~~
20 ~~shall conspicuously disclose in writing to each person or organization~~
21 ~~solicited:~~

22 ~~(a) If the solicitation is conducted by a charitable organization,~~
23 ~~the percentage relationship between (i) the total amount of money~~
24 ~~applied to charitable purposes; and (ii) the dollar value of support~~
25 ~~received from solicitations and from all other sources received on~~
26 ~~behalf of the charitable purpose of the organization, as contained in~~
27 ~~the organization's most recent solicitation report filed in accordance~~
28 ~~with RCW 19.09.075(7);~~

29 ~~(b) If the solicitation is conducted by an independent or nonprofit~~
30 ~~fund raiser, the percentage relationship between (i) the amount of~~
31 ~~money disbursed to charitable organizations for charitable purposes;~~
32 ~~and (ii) the total value of contributions received on behalf of~~
33 ~~charitable organizations by the independent or nonprofit fund raiser,~~
34 ~~as contained in the fund raiser's most recent solicitation report filed~~
35 ~~in accordance with RCW 19.09.079(7) or 19.09.078.~~

36 ~~(3) Each person or organization soliciting charitable contributions~~
37 ~~by telephone shall make the disclosures required by RCW 19.09.100(2)~~

38 ~~(a) or (b) in writing within five days of the receipt of any~~

1 contribution. If the person or organization sends any materials to the
2 person or organization solicited before the receipt of any
3 contribution, those materials shall include the disclosures required in
4 RCW 19.09.100(1)(d), and 19.09.100 (2) (a) or (b), whichever is
5 applicable.

6 ~~(4))~~ A charitable organization, whether or not required to
7 register pursuant to this chapter, that directly solicits contributions
8 from the public in this state shall make the following clear and
9 conspicuous disclosures at the point of solicitation:

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

11 (b) The identity of the charitable organization and the city of the
12 principal place of business of the charitable organization;

13 (c) If requested by the solicitee, the toll-free number for the
14 donor to obtain additional financial disclosure information on file
15 with the secretary.

16 (2) A commercial fund raiser shall clearly and conspicuously
17 disclose at the point of solicitation:

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

19 (b) The name of the entity for which the fund raiser is an agent or
20 employee and the name and city of the charitable organization for which
21 the solicitation is being conducted; and

22 (c) If requested by the solicitee, the toll-free number for the
23 donor to obtain additional financial disclosure information on file
24 with the secretary. The disclosure must be made during an oral
25 solicitation of a contribution, and at the same time at which a written
26 request for a contribution is made.

27 (3) A person or organization soliciting charitable contributions by
28 telephone shall make the disclosures required under subsection (1) or
29 (2) of this section in the course of the solicitation but prior to
30 asking for a commitment for a contribution from the solicitee, and in
31 writing to any solicitee that makes a pledge within five days of making
32 the pledge. If the person or organization sends any materials to the
33 person or organization solicited before the receipt of any
34 contribution, those materials shall include the disclosures required in
35 subsection (1) or (2) of this section, whichever is applicable.

36 (4) In the case of a solicitation by advertisement or mass
37 distribution, including posters, leaflets, automatic dialing machines,
38 publication, and audio or video broadcasts, it shall be clearly and
39 conspicuously disclosed in the body of the solicitation material that:

1 (a) The solicitation is conducted by a named commercial fund
2 raiser, if it is;

3 (b) The notice of solicitation required by the charitable
4 solicitation act is on file with the secretary's office; and

5 (c) The potential donor can obtain additional information at a
6 toll-free number.

7 (5) A container or vending machine displaying a solicitation must
8 also display in a clear and conspicuous manner the name of the
9 charitable organization for which funds are solicited, the name,
10 residence address, and telephone number of the individual and any
11 commercial fund raiser responsible for collecting funds placed in the
12 containers or vending machines, and the following statement: "This
13 charity is registered with the secretary's office under the charitable
14 solicitation act, registration number"

15 (6) A commercial fund raiser shall not represent that tickets to
16 any fund raising event will be donated for use by another person unless
17 all the following requirements are met:

18 (a) The commercial fund raiser prior to conducting a solicitation
19 has written commitments from persons stating that they will accept
20 donated tickets and specifying the number of tickets they will accept;

21 (b) The written commitments are kept on file by the commercial fund
22 raiser for three years and are made available to the attorney general
23 on demand;

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

27 (d) Not later than seven calendar days prior to the date of the
28 event for which ticket donations are solicited, the commercial fund
29 raiser shall give all donated tickets to the persons who made the
30 written commitments to accept them.

31 (7) Each person or organization soliciting charitable contributions
32 shall not represent orally or in writing that:

33 (a) The charitable contribution is tax deductible unless the
34 charitable organization for which charitable contributions are being
35 solicited or to which tickets for fund raising events or other services
36 or goods will be donated, has applied for and received from the
37 internal revenue service a letter of determination granting tax
38 deductible status to the charitable organization;

1 (b) The person soliciting the charitable contribution is a
2 volunteer or words of similar meaning or effect that create the
3 impression that the person soliciting is not a paid solicitor unless
4 such person is unpaid for his or her services;

5 (c) The person soliciting the charitable contribution is a member,
6 staffer, helper, or employee of the charitable organization or words of
7 similar meaning or effect that create the impression that the person
8 soliciting is not a paid solicitor if the person soliciting is
9 employed, contracted, or paid by (~~(an independent)~~) a commercial fund
10 raiser.

11 (~~(+5)~~) (8) If the charitable organization is associated with, or
12 has a name that is similar to, any unit of government each person or
13 organization soliciting contributions shall disclose to each person
14 solicited whether the charitable organization is or is not part of any
15 unit of government and the true nature of its relationship to the unit
16 of government. This subsection does not apply to a foundation or other
17 charitable organization that is organized, operated, or controlled by
18 or in connection with a registered public charity, including any
19 governmental agency or unit, from which it derives its name.

20 (~~(+6)~~) (9) No person may, in conducting any solicitation, use the
21 name "police," "sheriff," "fire fighter," "firemen," or a similar name
22 unless properly authorized by a bona fide police, sheriff, or fire
23 fighter organization or police, sheriff, or fire department. A proper
24 authorization shall be in writing and signed by two authorized
25 officials of the organization or department and shall be filed with the
26 secretary.

27 (10) A person may not, in conducting any solicitation, use the name
28 of a federally chartered military veterans' service organization unless
29 authorized in writing by the highest ranking official of that
30 organization in this state.

31 (11) A charitable organization shall comply with all local
32 governmental regulations that apply to soliciting for or on behalf of
33 charitable organizations.

34 (~~(+7)~~) (12) The advertising material and the general promotional
35 plan for a solicitation shall not be false, misleading, or deceptive,
36 and shall afford full and fair disclosure.

37 (~~(+8)~~) (13) Solicitations shall not be conducted by a charitable
38 organization or (~~independent~~) commercial fund raiser that has, or if
39 a corporation, its officers, directors, or principals have, been

1 convicted of a crime involving solicitations for or on behalf of a
2 charitable organization in this state, the United States, or any other
3 state or foreign country within the past ten years or has been subject
4 to any permanent injunction or administrative order or judgment under
5 RCW 19.86.080 or 19.86.090, involving a violation or violations of RCW
6 19.86.020, within the past ten years, or of restraining a false or
7 misleading promotional plan involving solicitations for charitable
8 organizations.

9 (14) No charitable organization or commercial fund raiser subject
10 to this chapter may use or exploit the fact of registration under this
11 chapter so as to lead the public to believe that registration
12 constitutes an endorsement or approval by the state, but the use of the
13 following is not deemed prohibited: "Registered with the Washington
14 state secretary of state as required by law. Registration number"

15 (15) No entity may engage in any solicitation for contributions for
16 or on behalf of any charitable organization or commercial fund raiser
17 unless the charitable organization or commercial fund raiser is
18 registered with the secretary.

19 (16) No entity may engage in any solicitation for contributions
20 unless it complies with all provisions of this chapter.

21 (17)(a) No entity may place a telephone call for the purpose of
22 charitable solicitation that will be received by the solicitee before
23 eight o'clock a.m. or after nine o'clock p.m.

24 (b) No entity may, while placing a telephone call for the purpose
25 of charitable solicitation, engage in any conduct the natural
26 consequence of which is to harass, intimidate, or torment any person in
27 connection with the telephone call.

28 (18) Failure to comply with subsections (1) through ((+8)) (17) of
29 this section is a violation of this chapter.

30 **Sec. 10.** RCW 19.09.190 and 1986 c 230 s 16 are each amended to
31 read as follows:

32 Every ~~((independent))~~ commercial fund raiser who (1) directly or
33 indirectly receives contributions from the public on behalf of any
34 charitable organization; or (2) is compensated based upon funds raised
35 or to be raised, number of solicitations made or to be made, or any
36 other similar method; or (3) incurs or is authorized to incur expenses
37 on behalf of the charitable organization; or (4) has not been
38 registered with the secretary as ~~((an independent))~~ a commercial fund

1 raiser for the preceding accounting year shall execute a surety bond as
2 principal with one or more sureties whose liability in the aggregate as
3 such sureties will equal at least fifteen thousand dollars. The
4 secretary may, by rule, provide for the reduction and reinstatement of
5 the bond required by this section.

6 The issuer of the surety bond shall be licensed to do business in
7 this state, and shall promptly notify the secretary when claims or
8 payments are made against the bond or when the bond is canceled. The
9 bond shall be filed with the secretary in the form prescribed by the
10 secretary. The bond shall run to the state and to any person who may
11 have a cause of action against the obligor of said bond for any
12 malfeasance, misfeasance, or deceptive practice in the conduct of such
13 solicitation.

14 **Sec. 11.** RCW 19.09.200 and 1986 c 230 s 12 are each amended to
15 read as follows:

16 (1) Charitable organizations and (~~independent~~) commercial fund
17 raisers shall maintain accurate, current, and readily available books
18 and records at their usual business locations until at least three
19 years have elapsed following the effective period to which they relate.

20 (2) All contracts between (~~independent~~) commercial fund raisers
21 and charitable organizations shall be in writing, and true and correct
22 copies of such contracts or records thereof shall be kept on file in
23 the various offices of the charitable organization and the
24 (~~independent~~) commercial fund raiser for a three-year period. Such
25 records and contracts shall be available for inspection and examination
26 by the attorney general or by the county prosecuting attorney. A copy
27 of such contract or record shall be submitted by the charitable
28 organization or (~~independent~~) commercial fund raiser, within ten
29 days, following receipt of a written demand therefor from the attorney
30 general or county prosecutor.

31 **Sec. 12.** RCW 19.09.210 and 1986 c 230 s 13 are each amended to
32 read as follows:

33 Upon the request of the attorney general or the county prosecutor,
34 a charitable organization or commercial fund raiser shall submit a
35 financial statement containing, but not limited to, the following
36 information:

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

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

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

8 (4) The amounts paid to and to be paid to (~~independent~~)
9 commercial fund raisers or charitable organizations.

10 (5) Copies of any annual or periodic reports furnished by the
11 charitable organization, of its activities during or for the same
12 fiscal period, to its parent organization, subsidiaries, or affiliates,
13 if any.

14 **Sec. 13.** RCW 19.09.230 and 1986 c 230 s 14 are each amended to
15 read as follows:

16 No charitable organization, (~~independent~~) commercial fund raiser,
17 or other entity may knowingly use the name, symbol, or emblem of any
18 other (~~person~~) entity for the purpose of soliciting contributions
19 from persons in this state without the written consent of such other
20 (~~person~~) entity. Such consent may be deemed to have been given by
21 anyone who is a director, trustee, or other authorized officer,
22 employee, agent, or (~~independent~~) commercial fund raiser of the
23 charitable organization, and a copy of the written consent must be kept
24 on file by the charitable organization or commercial fund raiser and
25 made available to the attorney general upon demand.

26 A person may be deemed to have used the name of another person for
27 the purpose of soliciting contributions if such latter person's name is
28 listed on any stationery, advertisement, brochure, or correspondence of
29 the charitable organization or person or if such name is listed or
30 represented to any one who has contributed to, sponsored, or endorsed
31 the charitable organization or person, or its or his activities.

32 The secretary may revoke or deny any application for registration
33 that violates this section.

34 **Sec. 14.** RCW 19.09.240 and 1986 c 230 s 15 are each amended to
35 read as follows:

36 No charitable organization, (~~independent~~) commercial fund raiser,
37 or other person soliciting contributions for or on behalf of a

1 charitable organization may use a name, symbol, emblem, or statement so
2 closely related or similar to that used by another charitable
3 organization or governmental agency that the use thereof would tend to
4 confuse or mislead the public. The secretary may revoke or deny any
5 application for registration that violates this section.

6 This section does not apply to a foundation or other charitable
7 organization that is organized, operated, or controlled by or in
8 connection with a registered public charity, including any governmental
9 agency or unit, from which it derives its name.

10 **Sec. 15.** RCW 19.09.275 and 1986 c 230 s 18 are each amended to
11 read as follows:

12 Any person who (~~((wilfully and))~~) knowingly violates any provision of
13 this chapter or who (~~((wilfully and))~~) knowingly gives false or incorrect
14 information to the secretary, attorney general, or county prosecuting
15 attorney in filing statements required by this chapter, whether or not
16 such statement or report is verified is guilty of a gross misdemeanor
17 punishable under chapter 9A.20 RCW.

18 Any person who violates any provisions of this chapter or who gives
19 false or incorrect information to the secretary, attorney general, or
20 county prosecuting attorney in filing statements required by this
21 chapter, whether or not such statement or report is verified, is guilty
22 of a misdemeanor punishable under chapter 9A.20 RCW.

23 Any person who knowingly violates RCW 19.09.100(9) or who falsely
24 claims, in the course of a charitable solicitation, to be a law
25 enforcement officer, is guilty of a class C felony punishable under
26 chapter 9A.20 RCW.

27 **Sec. 16.** RCW 19.09.305 and 1983 c 265 s 7 are each amended to read
28 as follows:

29 When a person or an organization registered under this chapter, or
30 its president, treasurer, or comparable officers, cannot be found after
31 reasonably diligent effort, the secretary of state shall be an agent of
32 such person or organization upon whom process may be served. Service
33 on the secretary shall be made by delivering to the secretary or the
34 secretary's designee duplicate copies of such process, and a (~~((twenty-~~
35 ~~five-dollar))~~) filing fee to be established by rule of the secretary.
36 Thereupon, the secretary shall immediately cause one of the copies
37 thereof to be forwarded to the registrant at the most current address

1 shown in the secretary's files. Any service so had on the secretary
2 shall be returnable in not less than thirty days.

3 Any fee under this section shall be taxable as costs in the action.

4 The secretary shall maintain a record of all process served on the
5 secretary under this section, and shall record the date of service and
6 the secretary's action with reference thereto.

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

10 **Sec. 17.** RCW 19.09.315 and 1983 c 265 s 17 are each amended to
11 read as follows:

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

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

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

22 NEW SECTION. **Sec. 18.** The attorney general, in the attorney
23 general's discretion, may:

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

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

34 NEW SECTION. **Sec. 19.** For the purpose of any investigation or
35 proceeding under this chapter, the attorney general or any officer
36 designated by the attorney general may administer oaths and

1 affirmations, subpoena witnesses, compel their attendance, take
2 evidence, and require the production of any books, papers,
3 correspondence, memoranda, agreements, or other documents or records
4 which the attorney general deems relevant or material to the inquiry.

5 In case of willful failure on the part of a person to comply with
6 a subpoena lawfully issued by the attorney general or on the refusal of
7 a witness to testify to matters regarding which the witness may be
8 lawfully interrogated, the superior court of a county, on application
9 of the attorney general and after satisfactory evidence of willful
10 disobedience, may compel obedience by proceedings for contempt, as in
11 the case of disobedience of a subpoena issued from the court or a
12 refusal to testify therein.

13 NEW SECTION. **Sec. 20.** If it appears to the attorney general that
14 a person has engaged or is about to engage in an act or practice
15 constituting a violation of a provision of this chapter or a rule
16 adopted or order issued under this chapter, the attorney general may,
17 in the attorney general's discretion, issue an order directing the
18 person to cease and desist from continuing the act or practice.
19 Reasonable notice of and opportunity for a hearing shall be given. The
20 attorney general may issue a temporary order pending the hearing, which
21 shall remain in effect until ten days after the hearing is held and
22 which shall become final if the person to whom the notice is addressed
23 does not request a hearing within fifteen days after the receipt of the
24 notice.

25 NEW SECTION. **Sec. 21.** (1) The attorney general may assess against
26 any person or organization who violates this chapter, or any rule
27 adopted under this chapter, a civil penalty of not more than one
28 thousand dollars for each violation.

29 (2) Such person or organization shall be afforded the opportunity
30 for a hearing, upon request made to the attorney general within thirty
31 days after the date of issuance of the notice of assessment. The
32 hearing shall be conducted in accordance with chapter 34.05 RCW.

33 (3) If any person fails to pay an assessment after it has become a
34 final and unappealable order, or after the court has entered final
35 judgment in favor of the state, the attorney general may recover the
36 amount assessed by action in the appropriate superior court. In such

1 action, the validity and appropriateness of the final order imposing
2 the penalty shall not be subject to review.

3 NEW SECTION. **Sec. 22.** The administrative procedure act, chapter
4 34.05 RCW, shall wherever applicable govern the rights, remedies, and
5 procedures respecting the administration of this chapter.

6 NEW SECTION. **Sec. 23.** The secretary shall provide the attorney
7 general with copies of or direct electronic access to all
8 registrations, reports, or other information filed under this chapter.

9 NEW SECTION. **Sec. 24.** A new section is added to chapter 43.07 RCW
10 to read as follows:

11 The secretary of state may adopt rules under chapter 34.05 RCW
12 establishing reasonable fees for the following services rendered under
13 chapter 11.110 or 19.09 RCW:

14 (1) Any service rendered in-person at the secretary of state's
15 office;

16 (2) Any expedited service;

17 (3) The electronic transmittal of documents;

18 (4) The providing of information by microfiche or other reduced-
19 format compilation;

20 (5) The handling of checks or drafts for which sufficient funds are
21 not on deposit;

22 (6) The resubmission of documents previously submitted to the
23 secretary of state where the documents have been returned to the
24 submittor to make such documents conform to the requirements of the
25 applicable statute;

26 (7) The handling of telephone requests for information; and

27 (8) Special search charges.

28 **Sec. 25.** RCW 11.110.010 and 1985 c 30 s 113 are each amended to
29 read as follows:

30 The purpose of this chapter is to facilitate public supervision
31 over the administration of public charitable trusts and similar
32 relationships and to clarify and implement the powers and duties of the
33 attorney general and the secretary of state with relation thereto.

1 **Sec. 26.** RCW 11.110.040 and 1985 c 30 s 115 are each amended to
2 read as follows:

3 All information, documents, and reports filed with the (~~attorney~~
4 ~~general~~) secretary of state under this chapter are matters of public
5 record and shall be open to public inspection, subject to reasonable
6 regulation: PROVIDED, That the (~~attorney general~~) secretary of state
7 shall withhold from public inspection any trust instrument so filed
8 whose content is not exclusively for charitable purposes. The
9 (~~attorney general~~) secretary of state may publish, on a periodic or
10 other basis, such information as may be necessary or appropriate in the
11 public interest concerning the registration, reports, and information
12 filed with (~~him~~) the secretary of state or any other matters relevant
13 to the administration and enforcement of this chapter.

14 **Sec. 27.** RCW 11.110.050 and 1985 c 30 s 116 are each amended to
15 read as follows:

16 The (~~attorney general~~) secretary of state shall establish and
17 maintain a register of trustees as defined in RCW 11.110.020 and, to
18 that end, shall conduct whatever investigation is necessary, and shall
19 obtain from public records, court officers, taxing authorities,
20 trustees, and other sources whatever information, copies of
21 instruments, reports, and records are needed, for the establishment and
22 maintenance of the register.

23 **Sec. 28.** RCW 11.110.060 and 1985 c 30 s 117 are each amended to
24 read as follows:

25 Every trustee shall file with the (~~attorney general~~) secretary of
26 state within two months after receiving possession or control of the
27 trust corpus a copy of the instrument establishing his or her title,
28 powers, or duties, and an inventory of the assets of such charitable
29 trust. In addition, trustees exempted from the provisions of RCW
30 11.110.070 by RCW 11.110.073 shall file with the (~~attorney general~~)
31 secretary of state a copy of the declaration of the tax-exempt status
32 or other basis of the claim for such exemption; a copy of the
33 instrument establishing the trustee's title, powers or duties; an
34 inventory of the assets of such trust; and, annually, a copy of each
35 publicly available United States tax or information return or report of
36 the trust which the trustee files with the internal revenue service.
37 The trustees of charitable trusts existing at the time this chapter

1 takes effect or on August 9, 1971, shall comply with this section
2 within six months thereafter.

3 **Sec. 29.** RCW 11.110.070 and 1985 c 30 s 118 are each amended to
4 read as follows:

5 Except as otherwise provided every trustee subject to this chapter
6 shall file with the (~~attorney general~~) secretary of state annual
7 reports, under oath, setting forth information as to the nature of the
8 assets held for charitable purposes and the administration thereof by
9 the trustee, in accordance with rules (~~and regulations~~) of the
10 (~~attorney general~~) secretary of state.

11 The (~~attorney general~~) secretary of state shall make rules (~~and~~
12 ~~regulations~~) as to the time for filing reports, the contents thereof,
13 and the manner of executing and filing them. ((He)) The secretary of
14 state may classify trusts and other relationships concerning property
15 held for a charitable purpose as to purpose, nature of assets, duration
16 of the trust or other relationship, amount of assets, amounts to be
17 devoted to charitable purposes, nature of trustee, or otherwise, and
18 may establish different rules for the different classes as to time and
19 nature of the reports required, to the ends (1) that ((he)) the
20 secretary of state shall receive reasonably current, periodic reports
21 as to all charitable trusts or other relationships of a similar nature
22 which will enable ((him)) the secretary of state to ascertain whether
23 they are being properly administered, and (2) that periodic reports
24 shall not unreasonably add to the expense of the administration of
25 charitable trusts and similar relationships. The (~~attorney general~~)
26 secretary of state may suspend the filing of reports as to a particular
27 charitable trust or relationship for a reasonable, specifically
28 designated time upon written application of the trustee filed with the
29 (~~attorney general~~) secretary of state after the (~~attorney general~~)
30 secretary of state has filed in the register of charitable trusts a
31 written statement that the interests of the beneficiaries will not be
32 prejudiced thereby and that periodic reports are not required for
33 proper supervision by ((his)) the secretary of state's office.

34 A copy of an account filed by the trustee in any court having
35 jurisdiction of the trust or other relationship, if the account
36 substantially complies with the rules (~~and regulations~~) of the
37 (~~attorney general~~) secretary of state, may be filed as a report
38 required by this section.

1 The first report for a trust or similar relationship hereafter
2 established, unless the filing thereof is suspended as herein provided,
3 shall be filed not later than one year after any part of the income or
4 principal is authorized or required to be applied to a charitable
5 purpose. If any part of the income or principal of a trust previously
6 established is authorized or required to be applied to a charitable
7 purpose at the time this act takes effect, the first report, unless the
8 filing thereof is suspended, shall be filed within six months after
9 July 30, 1967.

10 **Sec. 30.** RCW 11.110.075 and 1985 c 30 s 120 are each amended to
11 read as follows:

12 A trust is not exclusively for charitable purposes, within the
13 meaning of RCW 11.110.040, when the instrument creating it contains a
14 trust for several or mixed purposes, and any one or more of such
15 purposes is not charitable within the meaning of RCW 11.110.020, as
16 enacted or hereafter amended. Such instrument shall be withheld from
17 public inspection by the (~~attorney general~~) secretary of state and no
18 information as to such noncharitable purpose shall be made public. The
19 attorney general shall have free access to such information.

20 Annual reporting of such trusts to the (~~attorney general~~)
21 secretary of state, as required by RCW 11.110.060 or 11.110.070, shall
22 commence within one year after trust income or principal is authorized
23 or required to be used for a charitable purpose.

24 When a trust consists of a vested charitable remainder preceded by
25 a life estate, a copy of the instrument shall be filed by the trustee
26 or by the life tenant, within two months after commencement of the life
27 estate.

28 If the trust instrument contains only contingent gifts or
29 remainders to charitable purposes, no charitable trust shall be deemed
30 created until a charitable gift or remainder is legally vested. The
31 first registration or report of such trust shall be filed within two
32 months after trust income or principal is authorized or required to be
33 used for a charitable purpose.

34 **Sec. 31.** RCW 11.110.080 and 1985 c 30 s 121 are each amended to
35 read as follows:

36 The custodian of the records of a court having jurisdiction of
37 probate matters or of charitable trusts shall furnish within two months

1 after receiving possession or control thereof such copies of papers,
2 records, and files of (~~his~~) the custodian's office relating to the
3 subject of this chapter as the (~~attorney general~~) secretary of state
4 shall require.

5 Every officer, agency, board or commission of this state receiving
6 applications for exemption from taxation of any charitable trust or
7 similar relationship in which the trustee is subject to this chapter
8 shall annually file with the (~~attorney general~~) secretary of state a
9 list of all applications received during the year.

10 **Sec. 32.** RCW 11.110.125 and 1985 c 30 s 126 are each amended to
11 read as follows:

12 The willful refusal by a trustee to make or file any report or to
13 perform any other duties expressly required by this chapter, or to
14 comply with any valid rule (~~or regulation promulgated~~) adopted by the
15 (~~attorney general~~) secretary of state under this chapter, shall
16 constitute a breach of trust and a violation of this chapter.

17 **Sec. 33.** RCW 11.110.130 and 1985 c 30 s 127 are each amended to
18 read as follows:

19 A civil action for a violation of this chapter may be prosecuted by
20 the attorney general or by a prosecuting attorney (~~designated by the~~
21 ~~attorney general~~)).

22 NEW SECTION. **Sec. 34.** All reports, documents, surveys, books,
23 records, files, papers, or written material in the possession of the
24 attorney general pertaining to the powers, functions, and duties
25 transferred by sections 25 through 33 of this act shall be delivered to
26 the custody of the secretary of state. All cabinets, furniture, office
27 equipment, motor vehicles, and other tangible property employed by the
28 attorney general in carrying out the powers, functions, and duties
29 transferred shall be made available to the secretary of state. All
30 funds, credits, or other assets held in connection with the powers,
31 functions, and duties transferred shall be assigned to the secretary of
32 state.

33 Any appropriations made to the attorney general for carrying out
34 the powers, functions, and duties transferred shall, on the effective
35 date of this section, be transferred and credited to the secretary of
36 state.

1 Whenever any question arises as to the transfer of any personnel,
2 funds, books, documents, records, papers, files, equipment, or other
3 tangible property used or held in the exercise of the powers and the
4 performance of the duties and functions transferred, the director of
5 financial management shall make a determination as to the proper
6 allocation and certify the same to the state agencies concerned.

7 NEW SECTION. **Sec. 35.** All employees of the attorney general
8 engaged in performing the powers, functions, and duties transferred by
9 sections 25 through 33 of this act are transferred to the jurisdiction
10 of the secretary of state. All employees classified under chapter
11 41.06 RCW, the state civil service law, are assigned to the secretary
12 of state to perform their usual duties upon the same terms as formerly,
13 without any loss of rights, subject to any action that may be
14 appropriate thereafter in accordance with the laws and rules governing
15 state civil service.

16 NEW SECTION. **Sec. 36.** All rules and all pending business before
17 the attorney general pertaining to the powers, functions, and duties
18 transferred by sections 25 through 33 of this act shall be continued
19 and acted upon by the secretary of state. All existing contracts and
20 obligations shall remain in full force and shall be performed by the
21 secretary of state.

22 NEW SECTION. **Sec. 37.** The transfer of the powers, duties,
23 functions, and personnel of the attorney general shall not affect the
24 validity of any act performed prior to the effective date of this
25 section.

26 NEW SECTION. **Sec. 38.** If apportionments of budgeted funds are
27 required because of the transfers directed by sections 34 through 37 of
28 this act, the director of financial management shall certify the
29 apportionments to the agencies affected, the state auditor, and the
30 state treasurer. Each of these shall make the appropriate transfer and
31 adjustments in funds and appropriation accounts and equipment records
32 in accordance with the certification.

33 NEW SECTION. **Sec. 39.** Nothing contained in sections 34 through 38
34 of this act may be construed to alter any existing collective

1 bargaining unit or the provisions of any existing collective bargaining
2 agreement until the agreement has expired or until the bargaining unit
3 has been modified by action of the personnel board as provided by law.

4 NEW SECTION. **Sec. 40.** RCW 19.09.078 and 1986 c 230 s 6 are each
5 repealed.

6 NEW SECTION. **Sec. 41.** Sections 18 through 23 of this act are each
7 added to chapter 19.09 RCW.

8 NEW SECTION. **Sec. 42.** If any provision of this act or its
9 application to any person or circumstance is held invalid, the
10 remainder of the act or the application of the provision to other
11 persons or circumstances is not affected.

12 NEW SECTION. **Sec. 43.** This act is necessary for the immediate
13 preservation of the public peace, health, or safety, or support of the
14 state government and its existing public institutions, and shall take
15 effect July 1, 1993.

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