

SHB 1485 - S COMM AMD

By Committee on Labor, Commerce & Consumer Protection

ADOPTED 04/06/2011

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 19.09.010 and 2007 c 471 s 1 are each amended to read  
4 as follows:

5 The purpose of this chapter is to:

6 (1) Provide citizens of the state of Washington with information  
7 relating to (~~persons and organizations who~~) any entity that solicits  
8 funds from the public for public charitable purposes in order to  
9 prevent (a) deceptive and dishonest practices in the conduct of  
10 soliciting funds for or in the name of charity; and (b) improper use of  
11 contributions intended for charitable purposes;

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

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

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

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

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

26 (2) "Charitable organization" means any entity that solicits or  
27 collects contributions from the general public where the contribution  
28 is or is purported to be used to support a charitable purpose, but does  
29 not include any commercial fund-raiser, commercial fund-raising entity,

1 commercial coventurer, or any fund-raising counsel, as defined in this  
2 section. Churches and their integrated auxiliaries, and political  
3 organizations are not charitable organizations, but all are subject to  
4 RCW 19.09.100 (~~((12),~~) (15)(~~, and~~) through (18).

5 (3) "Charitable purpose" means any religious, charitable,  
6 scientific, testing for public safety, literary, or educational purpose  
7 or any other purpose that is beneficial to the community, including  
8 environmental, humanitarian, patriotic, or civic purposes, the support  
9 of national or international amateur sports competition, the prevention  
10 of cruelty to children or animals, the advancement of social welfare,  
11 or the benefit of law enforcement personnel, firefighters, and other  
12 persons who protect public safety. The term "charitable" is used in  
13 its generally accepted legal sense and includes relief of the poor, the  
14 distressed, or the underprivileged; advancement of religion;  
15 advancement of education or science; erecting or maintaining public  
16 buildings, monuments, or works; lessening the burdens of government;  
17 lessening neighborhood tensions; eliminating prejudice and  
18 discrimination; defending human and civil rights secured by law; and  
19 combating community deterioration and juvenile delinquency.

20 (4) "Commercial coventurer" means any individual or corporation,  
21 partnership, sole proprietorship, limited liability company, limited  
22 partnership, limited liability partnership, or any other legal entity,  
23 that:

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

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

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

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

36 (5) "Commercial fund-raiser" or "commercial fund-raising entity"  
37 means any entity that for compensation or other consideration (~~(within~~  
38 ~~this state)~~) directly or indirectly solicits or receives contributions

1 within this state for or on behalf of any charitable organization or  
2 charitable purpose, or that is engaged in the business of, or (~~is held~~  
3 ~~out~~) represents to persons in this state as independently engaged in  
4 the business of, soliciting or receiving contributions for such  
5 purposes. However, a commercial coventurer, fund-raising counsel, or  
6 consultant is not a commercial fund-raiser or commercial fund-raising  
7 entity.

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

10 (7) "Contribution" means the payment, donation, or promise, (~~or~~  
11 ~~grant,~~) for consideration or otherwise, of any money or property of  
12 any kind or value which contribution is wholly or partly induced by a  
13 solicitation. Reference to dollar amounts of "contributions" or  
14 "solicitations" in this chapter means in the case of payments or  
15 promises to pay for merchandise or rights of any description, the value  
16 of the total amount paid or promised to be paid for such merchandise or  
17 rights.

18 (8) "Cost of solicitation" means and includes all direct and  
19 indirect costs, expenditures, debts, obligations, salaries, wages,  
20 commissions, fees, or other money or thing of value paid or incurred in  
21 making a solicitation.

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

25 (10) "Fund-raising counsel" or "consultant" means any entity or  
26 individual who is retained by a charitable organization, for a fixed  
27 fee or rate, that is not computed on a percentage of funds raised, or  
28 to be raised, under a written agreement only to plan, advise, consult,  
29 or prepare materials for a solicitation of contributions in this state,  
30 but who does not manage, conduct, or carry on a fund-raising campaign  
31 and who does not solicit contributions or employ, procure, or engage  
32 any compensated person to solicit contributions, and who does not at  
33 any time have custody or control of contributions. A volunteer,  
34 employee, or salaried officer of a charitable organization maintaining  
35 a permanent establishment or office in this state is not a fund-raising  
36 counsel. An attorney, investment counselor, or banker who advises an  
37 individual, corporation, or association to make a charitable  
38 contribution is not a fund-raising counsel as a result of the advice.

1 (11) "General public" or "public" means any individual or entity  
2 located in Washington state without a membership or other official  
3 relationship with a charitable organization before a solicitation by  
4 the charitable organization.

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

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

17 ((+13)) (14) "Other employee" of a charitable organization means  
18 any person (a) whose conduct is subject to direct control by such  
19 organization; (b) who does not act in the manner of any independent  
20 contractor in his or her relation with the organization; and (c) who is  
21 not engaged in the business of or held out to persons in this state as  
22 independently engaged in the business of soliciting contributions for  
23 charitable purposes or religious activities.

24 ((+14)) (15) "Political organization" means those organizations  
25 whose activities are subject to chapter ((42.17)) 42.17A RCW or the  
26 Federal Elections Campaign Act of 1971, as amended.

27 ((+15)) (16) "Religious organization" means those entities that  
28 are not churches or integrated auxiliaries and includes  
29 nondenominational ministries, interdenominational and ecumenical  
30 organizations, mission organizations, speakers' organizations,  
31 faith-based social agencies, and other entities whose principal purpose  
32 is the study, practice, or advancement of religion.

33 ((+16)) (17) "Secretary" means the secretary of state.

34 ((+17)) (18) "Signed" means hand-written, or, if the secretary  
35 adopts rules facilitating electronic filing that pertain to this  
36 chapter, in the manner prescribed by those rules.

37 ((+18)) (19)(a) "Solicitation" means any oral or written request

1 for a contribution, including the solicitor's offer or attempt to sell  
2 any property, rights, services, or other thing in connection with  
3 which:

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

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

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

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

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

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

18 NEW SECTION. Sec. 3. A new section is added to chapter 19.09 RCW  
19 to read as follows:

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

21 (1) Any charitable organization raising less than fifty thousand  
22 dollars in any accounting year when all the activities of the  
23 organization, including all fund-raising activities, are carried on by  
24 persons who are unpaid for their services and no part of the charitable  
25 organization's assets or income inures to the benefit of or is paid to  
26 any officer, director, member, or trustee of the organization, other  
27 than as part of a charitable class benefited by the charitable  
28 organization.

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

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

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

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

6 (2) For an annual renewal of registration as a charitable  
7 organization, a fee of forty dollars. Ten dollars of this fee must be  
8 deposited in the state general fund and the remaining thirty dollars  
9 must be deposited in the charitable organization education account  
10 under RCW 19.09.530;

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

16 (4) For an annual renewal of registration as a commercial fund-  
17 raiser, a fee of two hundred twenty-five dollars. One hundred seventy-  
18 five dollars of this fee must be deposited in the state general fund  
19 and the remaining fifty dollars must be deposited in the charitable  
20 organization education account under RCW 19.09.530;

21 (5) For a registration of a commercial fund-raiser service  
22 contract, a fee of twenty dollars. Ten dollars of this fee must be  
23 deposited in the state general fund and the remaining ten dollars must  
24 be deposited in the charitable organization education account under RCW  
25 19.09.530.

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

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

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

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

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

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

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

9 (2) If the secretary determines that the application for initial  
10 registration or renewal is incomplete, the secretary will notify the  
11 applicant of the information necessary to complete the application.  
12 The secretary may hold the application up to thirty days to allow the  
13 applicant time to provide additional information. If the applicant  
14 fails to provide complete information as requested by the secretary,  
15 the applicant will be deemed unregistered and must cease all  
16 solicitations as defined by this chapter.

17 (3) If an applicant fails to pay a required fee for any filing, the  
18 secretary will notify the applicant of the necessary fee to complete  
19 the application. The secretary may hold the application up to thirty  
20 days to allow the applicant time to submit the required payment. If  
21 the applicant fails to provide the required payment as requested by the  
22 secretary, the applicant will be deemed unregistered and must cease all  
23 solicitations as defined by this chapter.

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

27 Charitable organizations must ensure that the financial information  
28 included in the solicitation report fairly represents, in all material  
29 respects, the financial condition and results of operations of the  
30 organization as of, and for, the period presented to the secretary for  
31 filing. If the financial information submitted to the secretary is  
32 incorrect in any material way, it is a violation of this chapter and  
33 the charitable organization may be subject to penalties as provided  
34 under RCW 19.09.279.

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

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

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

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

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

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

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

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

20       ~~((b))~~) (g) The name and address of the entity that prepares,  
21 reviews, or audits the financial statement of the charitable  
22 organization;

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

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

26       (~~((b))~~) (ii) The (~~((total dollar value of contributions))~~) gross  
27 revenue received from (~~((solicitations and from))~~) all (~~((other))~~) sources  
28 (~~((received on behalf of the charitable purpose))~~) by or on behalf of the  
29 charitable organization before any expenses are paid or deducted;

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

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

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

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

37       The solicitation report required to be submitted under subsection  
38 ~~((7))~~ of this section shall be in the form prescribed by rule by the



1 ~~secretary, or as agreed to by the secretary and a charitable~~  
2 ~~organization)) value of contributions received from all solicitations~~  
3 ~~for or on behalf of the charitable organization before any expenses are~~  
4 ~~paid or deducted;~~

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

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

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

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

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

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

16 (3) Charitable organizations that are required under federal tax  
17 law to file an annual return in the form 990 series or any successor  
18 series is not required to file a copy of such annual return with the  
19 secretary: PROVIDED, That the charitable organization complies with  
20 all federal tax law requirements with respect to public inspection of  
21 such annual return.

22 (4) The president, treasurer, or comparable officer of the  
23 organization must sign and date the application. The application  
24 ((shall)) must be submitted with a nonrefundable filing fee established  
25 in RCW 19.09.062. ((If the secretary determines that the application  
26 is complete, the application shall be filed and the applicant deemed  
27 registered.))

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

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

34 The secretary is authorized to adopt rules, in accordance with  
35 chapter 34.05 RCW, that establish a set of tiered financial reporting  
36 requirements for charitable organizations required to register with the

1 secretary pursuant to this chapter. Rules adopted under this section  
2 must include, but not be limited to, substantially the following:

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

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

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

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

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

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

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

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

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

36 (2) The name(s), address(es), and telephone number(s) of the

1 owner(s) and principal officer(s) of the commercial fund-raising  
2 entity;

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

6 (4) The names of the three officers or employees receiving the  
7 greatest amount of compensation from the commercial fund-raising  
8 entity;

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

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

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

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

17 (c) The total value of contributions received on behalf of  
18 charitable organizations required to register under RCW (~~(19.09.065)~~)  
19 19.09.075 by the commercial fund-raiser, affiliate of the commercial  
20 fund-raiser, or any entity retained by the commercial fund-raiser; and

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

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

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

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

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

36 Commercial fund-raisers required to register and renew under this  
37 chapter must file a notice of change of information within thirty days

1 of any change in the information contained in subsections (1) through  
2 (7) and (9) of this section.

3 NEW SECTION. **Sec. 11.** A new section is added to chapter 19.09 RCW  
4 to read as follows:

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

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

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

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

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

14 (2) The surety bond must be executed as principal in the amount  
15 prescribed by the secretary in rule. The issuer of the surety bond  
16 must be licensed to do business in this state, and must promptly notify  
17 the secretary when claims or payments are made against the bond or when  
18 the bond is canceled. The bond must be filed with the secretary in the  
19 form prescribed by the secretary. The bond must run to the state and  
20 to any person who may have a cause of action against the obligor of  
21 said bond for any malfeasance, misfeasance, or deceptive practice in  
22 the conduct of solicitations.

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

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

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

29 (2) (~~Reregistration~~) Renewals required under RCW 19.09.075 or  
30 19.09.079 (~~shall~~) must be submitted to the secretary no later than  
31 the date established by the secretary by rule.

32 (~~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 (9) or 19.09.079~~  
35 ~~(1) through (7).~~

1       ~~(4))~~) The secretary (~~(shall)~~) must notify entities registered under  
2 this chapter of the need to (~~(reregister)~~) renew upon the expiration of  
3 their current registration. The notification (~~(shall)~~) must be (~~(by~~  
4 ~~mail, sent at least)~~) made approximately sixty days prior to the  
5 expiration (~~(of their current registration)~~) date and must be made  
6 through postal or electronic means. Failure to (~~(register)~~) renew  
7 shall not be excused by a failure of the secretary to (~~(mail)~~) send the  
8 notice or by an entity's failure to receive the notice.

9       (4) Entities required to register and renew under this chapter must  
10 file a notice of change of information within thirty days of any change  
11 in the information contained in RCW 19.09.075 (1)(a) through (k) or  
12 19.09.079 (1) through (7) and (9).

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

17       (6) If the secretary determines that the application for initial  
18 registration or renewal is incomplete, the secretary must notify the  
19 applicant of the information necessary to complete the application.  
20 The secretary may hold the application up to thirty days to allow the  
21 applicant time to provide additional information. If the applicant  
22 fails to provide complete information as requested by the secretary,  
23 the applicant must be deemed unregistered and must cease all  
24 solicitations as defined by this chapter.

25       (7) If an applicant fails to pay a required fee for any filing, the  
26 secretary must notify the applicant of the necessary fee to complete  
27 the application. The secretary may hold the application up to thirty  
28 days to allow the applicant time to submit the required payment. If  
29 the applicant fails to provide the required payment as requested by the  
30 secretary, the applicant must be deemed unregistered and must cease all  
31 solicitations as defined by this chapter.

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

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

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

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

5 (c) The names of all of the fund-raisers' employees or staff who  
6 are conducting fund-raising activities or (~~charitable~~) solicitations  
7 on behalf of the charitable organization. In addition, the contract  
8 shall specify the amount of raised funds that the charitable  
9 organization will receive or the method of computing that amount, the  
10 amount of compensation of the commercial fund-raiser or the method of  
11 computing that amount, and whether the compensation is fixed or  
12 contingent.

13 (2) Before a charitable organization may contract with a commercial  
14 fund-raiser for any fund-raising service or activity, the charitable  
15 organization and commercial fund-raiser shall complete and file a  
16 registration form with the secretary. The registration (~~shall~~) must  
17 be filed by the charitable organization (~~in~~) on the form  
18 (~~prescribed~~) approved by the secretary(~~(. The registration shall)~~)  
19 and must contain(~~(, but not be limited to, the following information)~~):

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

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

24 ~~(c))~~ (e)) The name and registration number of the charitable  
25 organization;

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

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

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

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

34 (i) Amount or percentages of amounts to inure to the charitable  
35 organization;

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

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

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

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

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

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

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

24 (5) If the secretary determines that the application is incomplete,  
25 the secretary must notify the applicant of the information necessary to  
26 complete the application. The secretary may hold documents up to  
27 thirty days to allow the applicant time to provide additional  
28 information. If the applicant fails to provide complete information as  
29 requested by the secretary, the applicant must be deemed unregistered  
30 and the commercial fund-raiser must cease all solicitations under the  
31 terms of the contract.

32 (6) If an applicant fails to pay the required filing fee, the  
33 secretary must notify the applicant of the necessary fee to complete  
34 the application. The secretary may hold the application up to thirty  
35 days to allow the applicant time to submit the required payment. If  
36 the applicant fails to provide the required payment as requested by the  
37 secretary, the applicant must be deemed unregistered and the commercial

1 fund-raiser must cease all solicitations under the terms of the  
2 contract.

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

5 All entities soliciting contributions for charitable purposes must  
6 comply with the requirements of this section except entities exempted  
7 from registration are not required to make the disclosures under  
8 subsections (1)(c), (4)(b) or (c), and (5)(b) of this section. The  
9 following conditions apply to solicitations as defined by RCW  
10 19.09.020:

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

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

17 (b) The identity of the charitable organization and the city of the  
18 principal place of business of the charitable organization;

19 ~~((If requested by the solicitee,))~~ The published number ((in))  
20 and web site of the office of the secretary, if requested, for the  
21 donor to obtain additional financial ~~((disclosure))~~ and other  
22 information on file with the secretary. The disclosure must be made  
23 during an oral solicitation of a contribution, and at the same time at  
24 which a written request for a contribution is made.

25 (2) A commercial fund-raiser ~~((shall))~~ must meet the required  
26 disclosures described in subsection (1) of this section clearly and  
27 conspicuously ~~((disclose))~~ at the point of solicitation~~((÷~~

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

29 ~~(b))~~ and must also disclose the name of the entity for which the  
30 fund-raiser is an agent or employee and the name and city of the  
31 charitable organization for which the solicitation is being  
32 conducted~~((÷and~~

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



1           (3) ~~((A person or organization soliciting charitable contributions~~  
2 ~~by)) Telephone ~~((shall make))~~ solicitations must include the  
3 disclosures required under subsection (1) or (2) of this section ~~((in~~  
4 ~~the course of the solicitation but))~~ prior to asking for a ~~((commitment~~  
5 ~~for a))~~ contribution ~~((from the solicitee, and))~~. The required  
6 disclosures must also be provided in writing within five business days  
7 to ~~((any solicitee that))~~ anyone who makes a pledge ~~((within five~~  
8 ~~working days of making the pledge. If the person or organization sends~~  
9 ~~any materials to the person or organization solicited before the~~  
10 ~~receipt of any contribution, those materials shall include the~~  
11 ~~disclosures required in subsection (1) or (2) of this section,~~  
12 ~~whichever is applicable))~~ by telephone to donate.~~

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

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

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

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

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

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

32           (b) The statement: "This ~~((charity))~~ organization is currently  
33 registered with the secretary's office under the charitable  
34 solicitation act ~~((, registration number . . . .))~~ - call 1-800-332-  
35 4483," if the charitable organization for which funds are solicited is  
36 required to register under chapter 19.09 RCW.

37           (6) ~~((A commercial fund raiser shall not))~~ No entity may represent

1 that tickets to any fund-raising event will be donated for use by  
2 another person unless all the following requirements are met:

3 (a) The ~~((commercial fund-raiser))~~ entity prior to conducting a  
4 solicitation has written commitments from persons stating that they  
5 will accept donated tickets and specifying the number of tickets they  
6 will accept;

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

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

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

17 (7) ~~((Each person or organization))~~ Any entity soliciting  
18 charitable contributions ~~((shall))~~ must not ~~((represent))~~ misrepresent  
19 orally or in writing ~~((that))~~:

20 (a) ~~((The charitable contribution is tax deductible unless the  
21 charitable organization for which charitable contributions are being  
22 solicited or to which tickets for fund-raising events or other services  
23 or goods will be donated, has applied for and received from the  
24 internal revenue service a letter of determination granting tax  
25 deductible status to the charitable organization))~~ The tax  
26 deductibility of a contribution;

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

31 (c) That the person soliciting the charitable contribution is a  
32 member, staffer, helper, or employee of the charitable organization or  
33 words of similar meaning or effect that create the impression that the  
34 person soliciting is not a paid solicitor if the person soliciting is  
35 employed, contracted, or paid by a commercial fund-raiser.

36 (8) If the charitable organization is associated with, or has a  
37 name that is similar to, any unit of government ~~((each person or  
38 organization))~~ the entity soliciting contributions ~~((shall))~~ must

1 disclose to each person solicited whether the charitable organization  
2 is or is not part of any unit of government and the true nature of its  
3 relationship to the unit of government. This subsection does not apply  
4 to a foundation or other charitable organization that is organized,  
5 operated, or controlled by or in connection with a registered public  
6 charity, including any governmental agency or unit, from which it  
7 derives its name.

8 (9) No (~~(person)~~) entity may, in conducting any solicitation, use  
9 the name "police," "sheriff," (~~("firefighter,")~~) "firefighters," or a  
10 similar name unless properly authorized by (~~(a bona fide)~~) the police,  
11 sheriff, or firefighter organization or police, sheriff, or fire  
12 department it is representing. (~~(A proper)~~) Authorization (~~(shall)~~)  
13 must be in writing and signed by two authorized officials of the  
14 organization or department (~~(and shall)~~). The written authorization  
15 must be (~~(filed with the secretary)~~) retained in accordance with RCW  
16 19.09.200.

17 (10) (~~(A person)~~) An entity may not, in conducting any  
18 solicitation, use the name of a federally chartered or nationally  
19 recognized military veterans' service organization as determined by  
20 the United States veterans' administration unless authorized in writing  
21 by the highest ranking official of that organization in this state.  
22 The written authorization must be retained in accordance with RCW  
23 19.09.200.

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

27 (12) (~~(An entity soliciting contributions for a charitable purpose~~  
28 ~~shall not include in any solicitation, or in any advertising material~~  
29 ~~for a solicitation, or in any promotional plan for a solicitation, any~~  
30 ~~statement that is false, misleading, or deceptive. All solicitations,~~  
31 ~~advertising material, and promotional plans must fully and fairly~~  
32 ~~disclose the identity of the entity on whose behalf the solicitation is~~  
33 ~~made.)) Any entity required to register under this chapter must not  
34 engage in any solicitation for contributions unless it complies with  
35 all provisions of this chapter.~~

36 (13) Solicitations (~~(shall)~~) must not be conducted by a charitable  
37 organization or commercial fund-raiser that has, or if a corporation,  
38 its officers, directors, or principals have, been convicted of a crime

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

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

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

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

22 (17)) Any entity soliciting contributions for a charitable purpose  
23 must not include in any solicitation, or in any advertising material  
24 for a solicitation, or in any promotional plan for a solicitation, any  
25 statement that is false, misleading, or deceptive. All solicitations,  
26 advertising materials, and promotional plans must fully and fairly  
27 disclose the identity of the entity on whose behalf the solicitation is  
28 made.

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

33 ((18)) (17) No entity may, when contacting a donor or potential  
34 donor for the purpose of (~~charitable solicitation~~) soliciting  
35 contributions for a charitable purpose, engage in any conduct the  
36 natural consequence of which is to harass, intimidate, or torment any  
37 person in connection with the contact.

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

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

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

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

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

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

14       (1) ~~((Charitable organizations and commercial fund-raisers shall))~~  
15 All entities required to register pursuant to this chapter must  
16 maintain accurate, current, and readily available books and records at  
17 their usual business locations until at least three years have elapsed  
18 following the effective period to which they relate. The books and  
19 records must contain, at a minimum, documentation supporting the  
20 information contained in the solicitation report and written  
21 authorization or authorizations required in RCW 19.09.100.

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

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

35       Upon the request of the secretary of state, attorney general, or  
36 the county prosecutor, ~~((a charitable organization or commercial fund-~~

1 ~~raiser shall~~) any entity subject to this chapter must submit a  
2 financial statement and all requested records containing, but not  
3 limited to, the following information:

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

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

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

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

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

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

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

20 (1) Use (the) an identical or deceptively similar name, symbol,  
21 statement, or emblem so closely related or similar that its use would  
22 confuse or mislead the public, of any other entity for the purpose of  
23 soliciting contributions from persons in this state without the written  
24 consent of such other entity. (~~If the official name or the "doing~~  
25 ~~business name" being registered is the same or deceptively similar as~~  
26 ~~that of another entity, the secretary may request that a copy of the~~  
27 ~~written consent from that entity be filed with the registration. Such~~  
28 ~~consent may be deemed to have been given by anyone who is a director,~~  
29 ~~trustee, or other authorized officer of that entity. A copy of the~~  
30 ~~written consent must be kept on file by the charitable organization or~~  
31 ~~commercial fund-raiser and made available to the secretary, attorney~~  
32 ~~general, or county prosecutor upon demand. A person~~) Written consent  
33 may be deemed to have been given by anyone who is a director, trustee,  
34 or other authorized officer of that entity.

35 (2) A copy of the written consent must be retained on file by the  
36 charitable organization or commercial fund-raiser and made available to

1 the secretary, attorney general, or county prosecutor upon demand. The  
2 secretary may revoke or deny an application for registration that  
3 violates this section.

4 (3) An entity may be deemed to have used the name of another  
5 ((person)) entity for the purpose of soliciting contributions if such  
6 latter ((person's)) entity's name is listed on any stationery,  
7 advertisement, brochure, or correspondence of the ((charitable  
8 organization or person)) entity or if such name is listed or  
9 represented to anyone who has contributed to, sponsored, or endorsed  
10 the ((charitable organization or person)) entity, or its ((or his))  
11 activities.

12 ((The secretary may revoke or deny any application for registration  
13 that violates this section.)) This section does not apply to a  
14 foundation or other charitable organization that is organized,  
15 operated, or controlled by or in connection with a registered public  
16 charity, including any governmental agency or unit, from which it  
17 derives its name.

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

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

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

27 (3) Any ((charitable organization or commercial fund-raiser))  
28 entity who, after notification by the secretary, fails to properly  
29 register under this chapter is subject to a late filing fee in an  
30 amount to be established by rule by the end of the first business day  
31 following the issuance of the notice ((, is liable for a late filing fee  
32 in an amount to be established by rule of the secretary)). The late  
33 filing fee is in addition to any other filing fee provided by this  
34 chapter.

35 ((2) The secretary shall notify the attorney general of any entity  
36 liable for late filing fees under subsection (1) of this section.)) (4)  
37 If the secretary or attorney general determines that any entity is

1 soliciting in this state, directly or indirectly, by any means, and the  
2 entity has not registered with the secretary as required by this  
3 chapter, the secretary, after five days notice sent by postal or  
4 electronic means to the charitable organization or commercial fund-  
5 raiser, may publish a press release in newspapers or on the internet,  
6 a notice to the public regarding the entity's unregistered status.

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

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

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

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

23 The secretary may waive penalties that have been set by rule and  
24 assessed by the secretary due from a registered (~~charitable~~  
25 ~~organization~~) entity previously in good standing that would otherwise  
26 be penalized. (~~A charitable organization~~) An entity desiring to seek  
27 relief under this section must, within fifteen days of discovery of the  
28 missed filing or lapse by its (~~corporate officials~~) officers,  
29 directors, or other (~~authorized officer of~~) persons responsible for  
30 the missed filing or lapse, notify the secretary in writing. The  
31 notification must include the name and mailing address of the  
32 organization, the organization's officer to whom correspondence should  
33 be sent, and a statement under oath by a responsible officer of the  
34 organization, setting forth the nature of the missed filing or lapse,  
35 the circumstances giving rise to the missed filing or lapse, and the  
36 relief sought. Upon receipt of the notice, the secretary shall



1 investigate the circumstances of the missed filing or lapse. If the  
2 secretary is satisfied that sufficient exigent or mitigating  
3 circumstances exist, that the (~~organization~~) entity has demonstrated  
4 good faith and a reasonable attempt to comply with the applicable  
5 (~~corporate~~) charitable solicitation statute(~~s~~) of this state, the  
6 secretary may issue an order allowing relief from the penalty. If the  
7 secretary determines the request does not comply with the requirements  
8 for relief, the secretary shall deny the relief and state the reasons  
9 for the denial. Notwithstanding chapter 34.05 RCW, a denial of relief  
10 by the secretary is not reviewable.

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

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

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

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

31 (2) (~~Such person or organization shall~~) The entity must be  
32 afforded the opportunity for a hearing, upon request made to the  
33 secretary within thirty days after the date of issuance of the notice  
34 of assessment. The hearing shall be conducted in accordance with  
35 chapter 34.05 RCW.

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

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

9 When (~~a person or an organization~~) an entity registered under  
10 this chapter, or its president, treasurer, or comparable officers,  
11 cannot be found after reasonably diligent effort, the secretary of  
12 state (~~shall~~) must be an agent of such (~~person or organization~~)  
13 entity upon whom process may be served. Service on the secretary  
14 (~~shall~~) must be made by delivering to the secretary or the  
15 secretary's designee duplicate copies of such process, and a filing fee  
16 to be established by rule of the secretary. Thereupon, the secretary  
17 (~~shall~~) must immediately cause one of the copies (~~thereof~~) to be  
18 forwarded to the registrant at the most current address shown in the  
19 secretary's files. Any service (~~so had~~) on the secretary (~~shall~~)  
20 must be returnable in not less than thirty days.

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

23 The secretary (~~shall~~) must maintain a record of all process  
24 served on the secretary under this section, and (~~shall~~) must record  
25 the date of service and the secretary's action (~~with reference~~  
26 ~~thereto~~)).

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

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

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

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

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

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

9 (1) ~~((The commission by any person of an act or practice prohibited  
10 by this chapter is hereby declared to be an unfair act or practice or  
11 unfair method of competition in the conduct of trade or commerce for  
12 the purpose of application of the Consumer Protection Act, chapter  
13 19.86 RCW.))~~ The legislature finds that the practices covered by this  
14 chapter are matters vitally affecting the public interest for the  
15 purpose of applying the consumer protection act, chapter 19.86 RCW. A  
16 violation of this chapter is not reasonable in relation to the  
17 development and preservation of business and is an unfair or deceptive  
18 act in trade or commerce and an unfair method of competition for the  
19 purpose of applying the consumer protection act, chapter 19.86 RCW.

20 (2) The secretary may refer such evidence, as may be available,  
21 concerning violations of this chapter to the attorney general or the  
22 prosecuting attorney of the county wherein the alleged violation arose.  
23 In addition to any other action they might commence, the attorney  
24 general or the county prosecuting attorney may bring an action in the  
25 name of the state, with or without such reference, against any  
26 ~~((person))~~ entity to restrain and prevent the doing of any act or  
27 practice prohibited by this chapter: PROVIDED, That this chapter shall  
28 be considered in conjunction with chapters 9.04 and 19.86 RCW, as now  
29 or hereafter amended, and the powers and duties of the attorney general  
30 and the prosecuting attorney as they may appear in the aforementioned  
31 chapters, shall apply against all ~~((persons))~~ entities subject to this  
32 chapter.

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

35 Except as otherwise provided in this chapter, all fees and other

1 moneys received by the secretary of state under this chapter (~~shall~~)  
2 must be transmitted to the state treasurer for deposit in the state  
3 general fund.

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

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

7 (1) Annually, or more frequently, make such public or private  
8 investigations within or without this state as the attorney general  
9 deems necessary to determine whether any registration should be  
10 granted, denied, revoked, or suspended, or whether any (~~person~~)  
11 entity has violated or is about to violate a provision of this chapter  
12 or any rule adopted or order issued under this chapter, or to aid in  
13 the enforcement of this chapter or in the prescribing of rules and  
14 forms under this chapter; and

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

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

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

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

24 (1) RCW 19.09.076 (Charitable organizations--Application for  
25 registration--Exemptions--Soliciting contributions) and 2007 c 471 s 4,  
26 1994 c 287 s 1, 1993 c 471 s 4, & 1986 c 230 s 5;

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

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

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

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

3 NEW SECTION. **Sec. 30.** If any provision of this act or its  
4 application to any person or circumstance is held invalid, the  
5 remainder of the act or the application of the provision to other  
6 persons or circumstances is not affected."

**SHB 1485** - S COMM AMD

By Committee on Labor, Commerce & Consumer Protection

**ADOPTED 04/06/2011**

7 On page 1, line 1 of the title, after "solicitations;" strike the  
8 remainder of the title and insert "amending RCW 19.09.010, 19.09.020,  
9 19.09.062, 19.09.065, 19.09.075, 19.09.079, 19.09.085, 19.09.097,  
10 19.09.200, 19.09.210, 19.09.230, 19.09.271, 19.09.275, 19.09.276,  
11 19.09.277, 19.09.279, 19.09.305, 19.09.315, 19.09.340, 19.09.355,  
12 19.09.400, and 19.09.430; reenacting and amending RCW 19.09.100; adding  
13 new sections to chapter 19.09 RCW; repealing RCW 19.09.076, 19.09.190,  
14 19.09.240, 19.09.500, and 19.09.540; and prescribing penalties."

--- END ---