
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. **521** Session of
1961

INTRODUCED BY MESSRS. WEINER AND SEYLER,
APRIL 11, 1961.

REFERRED TO COMMITTEE ON JUDICIARY GENERAL,
APRIL 11, 1961.

AN ACT

Amending the act of May 13 1925 (P L 644) entitled "An act relating to and regulating the solicitation of moneys and property for charitable religious benevolent humane and patriotic purposes" changing provisions relating to the certificate of registration requiring the disclosure of certain information further limiting the amount of compensation which may be paid as a commission including certain corporations within the provisions of the act and making certain editorial changes

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter stricken through is to be omitted from bill.
Underlining indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows

1 Section 1 Sections 1 3 4 and clause (3) of subsection (a) of section
2 7 act of May 13 1925 (P L 644) entitled "An act relating to and regu-
3 lating the solicitation of moneys and property for charitable religious
4 benevolent humane and patriotic purposes" amended June 28 1951
5 (P L 922) are amended to read

6 Section 1 Be it enacted &c That thirty days after the approval of
7 this act it shall be unlawful for any person copartnership association or
8 corporation except in accordance with the provisions of this act to
9 appeal to the public for donations or subscriptions in money or in other
10 property or to sell or offer for sale to the public any thing or object
11 whatever to raise money or to secure or attempt to secure money or
12 donations or other property by promoting any public bazaar sale enter-
13 tainment or exhibition or by any similar means for any charitable
14 benevolent or patriotic purpose or for the purpose of ministering to
15 the material or spiritual needs of human beings either in the United
16 States or elsewhere or of relieving suffering of animals or of inculcat-
17 ing patriotism unless the appeal is authorized by and the money or

18 other property is to be given to a corporation copartnership or associa-

1 tion holding a valid certificate of registration from the Department of
2 [Public Instruction] State issued as herein provided

3 Section 3 Any corporation copartnership or association desiring
4 to obtain a certificate of registration for any of such purposes shall file
5 with the department of [Public Instruction] State on blanks prepared
6 by the department a statement verified by an officer of the corporation
7 copartnership or association and containing [such information as the
8 Department of Instruction may require] the following information
9 (1) the name of the corporation copartnership or association (2) the
10 names and addresses of officers directors trustees and executive personnel
11 (3) the general purpose for which the organization exists (4) the pur-
12 pose for which the contributions to be solicited will be used and (5) such
13 other information as the department deems necessary or appropriate in
14 the public interest for the protection of contributors All statements
15 of fact in the application shall be verified under oath by an authorized
16 officer director or trustee of the applicant organization If during the
17 period of solicitation there occurs any change in status fact or informa-
18 tion from that set forth in the application for a certificate of registra-
19 tion the holder of the certificate shall forthwith file with the department

1 a verified notification of change of information upon forms to be sup-
2 plied by the department The immediately preceding sentence shall be
3 printed conspicuously on the certificate of registration In addition to the
4 statements hereinbefore set forth required to be filed before and dur-
5 ing any period of solicitation the holder of each certificate shall at the
6 end of each period of solicitation file a statement showing the gross
7 amount collected during such period and also showing the expenses in-
8 curred during such period including but not limited to expenses of
9 bonuses and compensation for collecting and soliciting promotion ad-
10 vertising entertaining and general office and administrative expenses
11 Other statements shall be filed from time to time under oath contain-
12 ing such information as the department may require

13 Section 4 If the Department of [Public Instruction] State deems
14 the corporation copartnership or association filing such statement a
15 proper one and not inimical to the public welfare or safety and its
16 appeal or proposed appeals to be for truly charitable benevolent or
17 patriotic purposes or for the purpose of ministering to the material or
18 spiritual needs of human beings in the United States or elsewhere or of
19 relieving suffering of animals or of inculcating patriotism it shall issue
20 to such corporation copartnership or association filing the required

1 statement a certificate of registration for the particular purpose de-
2 scribed and for the necessary period but the department shall not issue
3 any certificate of registration to any such corporation copartnership
4 or association which pays or agrees to pay to any individual corporation
5 copartnership or association a commission or compensation in excess of
6 [fifteen] ten per centum of the amount collected or the sale price of
7 anything or object or the gross receipts from any public bazaar sale
8 entertainment or exhibition or any similar means for services and the
9 department shall revoke any certificate of registration which may be
10 granted if and when any corporation copartnership or association shall
11 pay or agree to pay an amount in excess of [fifteen] ten per centum
12 as herein provided If the department deems the corporation copartner-
13 ship or association an improper one or the purposes of its appeal im-
14 proper under the provisions of this act it shall refuse to issue a cer-
15 tificate of registration No registration certificate shall be valid for a
16 longer period than one year from its date of issue The Department of
17 [Public Instruction] State before granting a certificate as herein pro-
18 vided may hold such hearings as may be deemed necessary to satisfy
19 itself that the copartnership association or corporation filing a statement

1 is entitled to a certificate of registration in accordance with this act

2 Section 7 (a) No person corporation copartnership or association
3 wheresoever situate shall solicit or collect contributions in money or
4 other property for any of the purposes set forth in section one of this
5 act

6 * * *

7 (3) Unless he or it shall have first registered with the Department
8 of [Public Instruction] State and given to it such information relative
9 to his or its solicitation activity as may be required from time to time
10 by the said department's rules or regulations and the provisions of
11 this act

12 * * *

13 Section 2 Subsections (d) and (e) of section 7 of the act amended
14 June 5 1947 (P L 474) are amended to read

15 Section 7 * * *

16 (d) No person corporation copartnership or association may ac-
17 cept or receive any bonus or compensation as set forth in subsection (a)
18 hereof the amount or value of which shall exceed [fifteen] ten per
19 cent of the gross sum of money or value of property actually collected

1 (e) Any person corporation copartnership or association which has
2 accepted or received a bonus or compensation for collecting or solicit-
3 ing as set forth in subsection (a) hereof exceeding [fifteen] ten per
4 cent of the amount of money or value of property actually collected
5 shall be obliged to repay or return the excess together with treble
6 damages Any charitable corporation copartnership or association as de-
7 fined by section one of this act may sue for and recover either in as-
8 sumpsit or trespass such excess notwithstanding the fact that the of-
9 ficers of such charitable organization may have contracted in its name
10 to pay such excessive compensation or bonus

11 Section 3 Sections 8 9 and subsection (b) of section 10 of the act
12 amended June 28 1951 (P L 922) are amended to read

13 Section 8 The Department of [Public Instruction] State may
14 prescribe a form for all statements and accounts which shall be in
15 such detail as may be prescribed by the department by regulation The
16 department may make other rules and regulations necessary for the
17 purpose of carrying out the provisions of this act

18 Section 9 A fee of ten dollars shall be paid to the Department of
19 [Public Instruction] State by every association copartnership or cor-
20 poration at the time of filing the original statement All fees shall be

1 paid by the department into the State Treasury through the Department
2 of Revenue

3 Where a certificate of registration has been applied for but the
4 application is thereafter withdrawn or not proceeded with the fee
5 provided by this section paid at the time of filing the statement shall
6 be refunded to the party paying the same and for such purposes any
7 moneys in the General Fund are hereby appropriated but nothing herein
8 contained shall authorize a refund where an application for registration
9 has been refused

10 Section 10 * * *

11 (b) Any person who or any corporation copartnership or association
12 which within the period of two (2) years shall commit two (2) or more
13 violations of the provisions of this act or any rules or regulations made
14 under the authority hereof or shall give false or incorrect information
15 to the Department of [Public Instruction] State in filing statements
16 or reports required by this act or by such rules and regulations whether
17 such report or statement is verified or not shall be guilty of a misde-
18 meanor and punishable by a fine of not less than one hundred dollars
19 (\$100) or more than one thousand dollars (\$1,000) and in the case of

- 1 an individual in addition to the said fine may be punishable by im-
- 2 prisonment of not more than one (1) year
- 3 Section 4 Section 11 of the act amended November 30 1959 (P L
- 4 1615) is amended to read
- 5 Section 11 This act shall not apply to [fraternal organizations
- 6 national service organizations civic organizations or nonprofit corporations
- 7 incorporated under the laws of the Commonwealth which have obtained
- 8 and is maintaining an exempt status with the Director of Internal
- 9 Revenue from the payment of income tax to the Federal government
- 10 nor to organizations composed of mothers of men or women who have
- 11 died while in the Armed Services of the United States nor to organiza-
- 12 tions composed of mothers of men or women who were members of
- 13 the Armed Services of the United States during time of combat nor
- 14 to] religious organizations raising funds for religious purposes [col-
- 15 leges schools universities or associations of alumni or alumnae thereof
- 16 raising funds for fellowships or scholarships national service clubs or
- 17 local associations raising funds for child welfare projects federated
- 18 women's clubs labor unions municipalities or subdivisions thereof vol-
- 19 unteer fire companies and associations composed of volunteer or paid fire-}

1 [men nor to charitable institutions or agencies required by the provisions
2 of existing law to file reports with the Department of Public Instruction
3 or with any other department or office of the Commonwealth nor to
4 any war veterans' organization or any subordinate units thereof when-
5 ever the purpose for which it is soliciting funds has been approved by
6 the Department of Military Affairs]

We certify that this bill has passed the Senate and the House of
Representatives.

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved The day of A. D. 1961.

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Governor