
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 946 Session of
2019

INTRODUCED BY DeLUCA, MILLARD, HILL-EVANS, CALTAGIRONE,
SAMUELSON, NEILSON, MURT, PASHINSKI, RAVENSTAHL AND GILLEN,
MARCH 25, 2019

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 25, 2019

AN ACT

1 Amending the act of December 19, 1990 (P.L.1200, No.202),
2 entitled "An act providing for the registration and
3 regulation of solicitations by charitable organizations,
4 professional fundraisers and other solicitors; imposing
5 additional powers on the Department of State and the Office
6 of Attorney General; prescribing civil and criminal
7 penalties; and making a repeal," further providing for
8 registration of charitable organizations and financial
9 reports and fees and failure to file, for limitation on
10 activities of charitable organizations and disclosure
11 requirements and for prohibited acts.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Sections 5(e) and 13(a) of the act of December
15 19, 1990 (P.L.1200, No.202), known as the Solicitation of Funds
16 for Charitable Purposes Act, are amended to read:

17 Section 5. Registration of charitable organizations; financial
18 reports; fees; failure to file.

19 * * *

20 (e) Financial report.--

21 (1) With each registration statement filed under this
22 section, a charitable organization must file a financial

1 report for the immediately preceding fiscal year, which shall
2 contain a balance sheet and statements of revenue, expenses
3 and changes in fund balances indicating the organization's
4 gross revenue, the amount of funds received from
5 solicitations or other fundraising activities and all
6 expenditures for supplies, equipment, goods, services,
7 programs, activities or other expenses, a detailed list of
8 all salaries and wages paid and expenses allowed to any
9 officer or employee if the organization is not required to
10 file an Internal Revenue Service Form 990 and the disposition
11 of the net proceeds received from solicited contributions or
12 other fundraising activities.

13 (2) No charitable organization shall solicit
14 contributions or have contributions solicited on the
15 charitable organization's behalf if the charitable
16 organization fails to expend in the current fiscal year at
17 least 60% of the charitable organization's gross revenue for
18 the immediately prior fiscal year on goods or services, as
19 defined in section 3 of the act of November 26, 1997
20 (P.L.508, No.55), known as the Institutions of Purely Public
21 Charity Act, until the department determines that the
22 charitable organization is expending the minimum required
23 amount on goods or services and notifies the charitable
24 organization that the charitable organization may resume
25 solicitation.

26 * * *

27 Section 13. Limitation on activities of charitable
28 organizations; disclosure requirements.

29 (a) Solicitation limitation.--

30 (1) A charitable organization may only solicit

1 contributions for the charitable purpose expressed in
2 solicitation for contributions or the registration statement
3 of the charitable organization and may only apply
4 contributions in a manner substantially consistent with that
5 purpose.

6 (2) A charitable organization that fails to expend the
7 minimum required amount, as provided in section 5(e)(2), on
8 goods or services shall immediately cease all solicitation
9 and notify the department within 15 days.

10 * * *

11 Section 2. Section 15(a) of the act is amended by adding
12 paragraphs to read:

13 Section 15. Prohibited acts.

14 (a) General rule.--Regardless of a person's intent or the
15 lack of injury, the following acts and practices are prohibited
16 in the planning, conduct or execution of any solicitation or
17 charitable sales promotion:

18 * * *

19 (14) Failing to expend the minimum required amount, as
20 provided in section 5(e)(2), on goods or services.

21 (15) Failing to immediately cease all solicitation if
22 the charitable organization does not expend the minimum
23 required amount, as provided in section 5(e)(2), on goods or
24 services.

25 (16) Failing to notify the department within 15 days
26 that the charitable organization is no longer expending the
27 minimum required amount, as provided in section 5(e)(2), on
28 goods or services.

29 * * *

30 Section 3. This act shall take effect in 60 days.