

ENGROSSED SENATE
BILL NO. 205

BY: CAIN of the SENATE

and

MONSON of the HOUSE

AN ACT RELATING TO CORPORATIONS; AMENDING 18 O.S.

1981, SECTION 552.3, AS AMENDED BY SECTION 1,
CHAPTER 79, O.S.L. 1984 (18 O.S. SUPP. 1990,
SECTION 552.3), WHICH RELATES TO REGISTRATION OF
CHARITABLE ORGANIZATIONS WHICH SOLICIT
CONTRIBUTIONS; REQUIRING CERTAIN FORM INCLUDE
INFORMATION ON PERCENT OF BUDGET EXPENDED FOR FUND-
RAISING PURPOSES; DELETING PROVISION PROHIBITING
REGISTRATION UNDER CERTAIN CONDITIONS; AND
PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 18 O.S. 1981, Section 552.3, as
amended by Section 1, Chapter 79, O.S.L. 1984 (18 O.S. Supp. 1990,
Section 552.3), is amended to read as follows:

Section 552.3 ~~A.~~ No charitable organization, except those
specifically exempt under Section 552.4 of this title, shall solicit
or accept contributions from any person in this state by any means
whatsoever until such charitable organization shall have registered
with the Oklahoma Tax Commission and filed information, as required
by this act, on forms approved by that office. At the time of such

registration, each charitable organization shall pay a fee of Fifteen Dollars (\$15.00). Such registration shall be valid for a period of one (1) year, and shall be subject to annual renewal. This registration shall not be deemed to constitute endorsement by the state or by the Oklahoma Tax Commission of the charitable organizations so registered, and that office shall immediately revoke the registration of any person who directly or indirectly misrepresents the effect of registration hereunder to any donor or prospective donor. The information so filed shall be available to the general public as a matter of public record. The forms containing such information shall be sworn to and shall include the following:

1. The name under which the charitable organization intends to solicit or accept contributions, and the identity of the charitable organization by or for whom the solicitation is to be conducted;

2. The address of the charitable organization and the names and addresses of officers, directors, trustees and executive personnel;

3. The purposes for which the contributions solicited or accepted are to be used; provided, however, no contribution or any portion thereof shall enure to the private benefit of any voluntary solicitor;

4. The percent of the organization's budget, based on the previous year's experience, which is expended for the purpose of raising funds, including payment for solicitors, advertisement and mailings directly related to fund raising;

5. The person who will have custody of the contributions;

~~5.~~ 6. The persons responsible for the distribution of funds collected;

~~6.~~ 7. The period of time during which such solicitation is to be conducted;

~~7.~~ 8. A description of the method or methods of solicitation in such detail as may from time to time be determined by the Oklahoma Tax Commission;

~~8.~~ 9. Whether such solicitation is to be conducted by voluntary unpaid solicitors, by paid solicitors, or both;

~~9.~~ 10. If in whole or in part by paid solicitors, the name and address of each professional fund raiser supplying such solicitors, the basis of payment and the nature of the arrangement, including a copy of the contract or other agreement between the charitable organization and the professional fund raiser, the specific amount or percentage of compensation, or property of any kind or value to be paid or paid to the professional fund raiser, the percentage value of such compensation as compared (a) to the total contributions received and (b) to the net amount of the total contributions received; and

~~10.~~ 11. Such additional information as may be deemed necessary and appropriate by the Oklahoma Tax Commission in the public interest or for the specific protection of contributors.

~~B. No charitable organization, professional solicitor or professional fund raiser shall be registered by the Oklahoma Tax Commission where the professional fund raiser or professional solicitor would receive more than ten percent (10%) of the net receipts from the solicitation of contributions, nor where the charitable organization whose name is used would receive less than ninety percent (90%) of said receipts, nor when the board of directors of the charitable organization would not have full control of all funds collected.~~

SECTION 2. This act shall become effective September 1, 1991.

Passed the Senate the 25th day of February, 1991.

President of the Senate

Passed the House of Representatives the ____ day of
_____, 1991.

Speaker of the House of
Representatives