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HOUSE BILL NO. 2148

House Amendments in [] — February 1, 1999

A *BILL* to amend and reenact § 57-61 of the Code of Virginia, relating to the registration of professional solicitors.

Patrons—Cantor and Reid

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That § 57-61 of the Code of Virginia is amended and reenacted as follows:

§ 57-61. Registration of professional fund-raising counsels and solicitors.

A. No person shall act as a professional fund-raising counsel or professional solicitor for a charitable or civic organization, unless he has first registered with the Commissioner. Applications for registration shall be in writing under oath or affirmation in the form prescribed by the Commissioner and contain such information as he may require. The application shall be accompanied by an annual fee of \$100 for the professional fund-raising counsel. The fee for a professional solicitor shall be \$500. Any professional solicitor who fails to register prior to any solicitation shall be required to pay a late filing fee of \$250. ~~It shall be the responsibility of the professional solicitor to file with the Commissioner, within ninety days after completion of a solicitation campaign, a report showing all funds collected and such other information as the Commissioner may require.~~ A partnership or corporation which is a professional fund-raising counsel or professional solicitor, may register for and pay a single fee on behalf of all its members, officers, agents and employees.

B. Each professional solicitor shall, at the time of making application, file with and have approved by the Commissioner a bond in which the applicant shall be the principal obligor in the sum of \$20,000 with one or more sureties satisfactory to the Commissioner, whose liability in the aggregate as such sureties will at least equal \$20,000, and maintain the bond in effect so long as *the* registration is in effect. The bond shall run to the Commonwealth of Virginia for the use of the bonds in reimbursement for any penalties or losses resulting from malfeasance, nonfeasance or misfeasance in the conduct of solicitation activities. A partnership or corporation which is a professional solicitor may file a consolidated bond on behalf of all its members, officers, agents and employees.

C. Each registration shall be valid throughout the Commonwealth of Virginia for a period of one year from the date of issue and may be renewed for additional one-year periods upon written application, under oath or affirmation, in the form prescribed by the Commissioner and the payment of the fee prescribed herein.

D. At least ten days prior to the commencement of each solicitation campaign, the solicitor shall file with the Commissioner a copy of the contract entered into with any charitable or civic organization and shall file a completed "Solicitation Notice" on forms prescribed by the Commissioner. The Solicitation Notice shall be in writing and under oath, and shall include a description of the solicitation event or campaign, the projected starting and ending dates of the campaign, and the location and telephone number from which the solicitation will be conducted. The charitable or civic organization on whose behalf the solicitor is acting shall certify that the Solicitation Notice and accompanying material are true and complete.

E. Professional solicitors shall file a final accounting report with the Commissioner after the completion of the solicitation campaign, showing all funds collected and such other information as the Commissioner may require. The final accounting report shall be filed within ninety days of the campaign's completion. Professional solicitors may file a written request with the Commissioner for an extension, not to exceed ninety days, for filing the final accounting report. The extension period shall be calculated from the first day following the expiration of the initial ninety-day period for filing the report.

[~~A late filing fee of twenty-five dollars shall be imposed for each thirty-day period, or any portion thereof, required by the extension.~~] A late filing fee of twenty-five dollars shall be imposed for each thirty-day period, or any portion thereof, that [~~an extension request or~~] the final accounting report is not timely filed with the Commissioner. No late fees shall be imposed for the period between the date the extension request is filed with the Commissioner through 180 days following the completion of the solicitation campaign. [~~An additional late filing fee of twenty-five dollars shall be imposed for each thirty-day period, or any portion thereof, that the final accounting report is not filed with the Commissioner, calculated from the end of any extension period.~~] The late filing fees shall be in addition to all other penalties authorized by law.

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60 ~~E.~~ *F.* The solicitor shall maintain during each solicitation campaign and for not less than three years
61 after its completion, the following records: (i) the name and address of each contributor and the date and
62 amount of the contribution, provided that the Commissioner shall not disclose this information except to
63 the extent necessary for investigative or law-enforcement purposes; (ii) the name and residence address
64 of each employee, agent, or other person involved in the solicitation; (iii) records of all expenses
65 incurred in the course of the solicitation campaign; and (iv) the account number and location of all bank
66 accounts where receipts from the campaign will be deposited.

67 ~~F.~~ *G.* All funds collected by the solicitor shall be deposited in a bank account. The bank account
68 shall include the name of the charitable or civic organization with whom the solicitor has contracted.
69 The professional solicitor shall promptly provide to the charitable or civic organization a copy of all
70 monthly bank statements.

71 ~~G.~~ *H.* Any change in information filed with the Commissioner pursuant to this section shall be
72 reported in writing to the Commissioner within seven days after the change occurs.