

No: 613



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OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE  
REGULAR SESSION, 1985



**ENROLLED**

*Committee Substitute for*

SENATE BILL NO. 613

(By Mr. Boettner)



PASSED April 13 1985

In Effect ninty days from Passage



**ENROLLED**

COMMITTEE SUBSTITUTE

FOR

**Senate Bill No. 613**

(BY MR. BOETTNER, *original sponsor*)

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(Originating in the Committee on the Judiciary.)

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[Passed April 13, 1985; in effect ninety days from passage.]

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AN ACT to amend and reenact sections two, three, five, six, seven, nine, eleven, thirteen and fifteen, article nineteen, chapter twenty-nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, all relating to solicitation of charitable funds; definitions; reallocating powers and duties of commission on charitable organizations and secretary of state; registration of charitable organizations; filing of solicitation contracts; removing fifteen percent limitation on payments for solicitation activities; prohibited acts, enforcement and penalties.

*Be it enacted by the Legislature of West Virginia:*

That sections two, three, five, six, seven, nine, eleven, thirteen and fifteen, article nineteen, chapter twenty-nine of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted, all to read as follows:

**§29-19-2. Definitions.**

1 As used in this article:

2 (1) "Charitable organization" means a person who is or  
3 holds itself out to be a benevolent, educational,  
4 philanthropic, humane, patriotic, religious or  
5 eleemosynary organization, or any person who solicits or  
6 obtains contributions solicited from the public for  
7 charitable purposes, or any person who in any manner  
8 employs any appeal for contributions which may be  
9 reasonably interpreted to suggest that such contributions  
10 will be used for charitable purposes. A chapter, branch,  
11 area, office or similar affiliate or any person soliciting  
12 contributions within the state for a charitable organization  
13 which has its principal place of business outside the state is  
14 a charitable organization for the purposes of this article.  
15 This definition does not include religious organizations or  
16 any group affiliated with and forming an integral part of  
17 said organization of which no part of the net income inures  
18 to the direct benefit of any individual and which have  
19 received a declaration of current tax exempt status from the  
20 government of the United States nor does this definition  
21 include any single church congregation located in the  
22 county or local congregation of any religious affiliation or  
23 any community youth athletic organization or any  
24 community civic or service club. No such affiliated group  
25 may be required to obtain such declaration if the parent or  
26 principal organization shall have obtained same.

27 (2) "Contributions" means the promise or grant of any  
28 money or property of any kind or value.

29 (3) "Federated fund-raising organization" means a  
30 federation of independent charitable organizations which  
31 have voluntarily joined together, including, but not limited  
32 to, a united fund or community chest, for purposes of  
33 raising and distributing money for and among themselves  
34 and where membership does not confer operating authority  
35 and control of the individual agencies upon the federated  
36 group organization.

37 (4) "Parent organization" is that part of a charitable  
38 organization which coordinates, supervises or exercises  
39 control over policy, fund raising and expenditures, or  
40 assists, receives funds from or advises one or more chapters,  
41 branches or affiliates in the state.

42 (5) "Person" means any individual, organization, trust,  
43 foundation, group, association, partnership, corporation,  
44 society or any combination of them.

45 (6) "Professional fund-raising counsel" means any  
46 person who for a flat fixed fee under a written agreement  
47 plans, conducts, manages, carries on, advises or acts as a  
48 consultant, whether directly or indirectly, in connection  
49 with soliciting contributions for, or on behalf of any  
50 charitable organization but who actually solicits no  
51 contributions as a part of such services. A bona fide salaried  
52 officer or employee of a charitable organization  
53 maintaining a permanent establishment within the state  
54 shall not be deemed to be a professional fund-raising  
55 counsel.

56 (7) "Professional solicitor" means any person who, for a  
57 financial or other consideration, solicits contributions for,  
58 or on behalf of a charitable organization, whether such  
59 solicitation is performed personally or through said  
60 person's agents, servants or employees specially employed  
61 by, or for a charitable organization, who are engaged in the  
62 solicitation of contributions under the direction of such  
63 person, or a person who plans, conducts, manages, carries  
64 on, advises or acts as a consultant to a charitable  
65 organization in connection with the solicitation of  
66 contributions but does not qualify as "professional fund-  
67 raising counsel" within the meaning of this article. A bona  
68 fide salaried officer or employee of a charitable  
69 organization maintaining a permanent establishment  
70 within the state is not a professional solicitor.

71 No attorney, investment counselor or banker, who  
72 advises any person to make a contribution to a charitable  
73 organization, shall be considered, as the result of such  
74 advice, to be a professional fund-raising counsel or a  
75 professional solicitor.

76 (8) "Commission" means the commission on charitable  
77 organizations herein created.

**§29-19-3. Commission on charitable organizations; powers and duties.**

1 (a) The commission on charitable organizations, herein  
2 referred to as the "commission," consists of seven members,  
3 including the secretary of state or his designate, who shall

4 be the chairman, the attorney general or his designate, the  
5 commissioner of welfare or his designate, the director of the  
6 state department of health or his designate, and three  
7 members to be appointed by the governor who shall serve at  
8 his will and pleasure.

9 (b) The commission shall serve as body advisory to the  
10 secretary of state and, as such, shall have the following  
11 powers and duties:

12 (1) To hold hearings and make adjudications as  
13 provided in section nine and section fifteen of this article;

14 (2) To advise and make recommendations to the  
15 secretary of state on policies and practices to effect the  
16 purposes of this article;

17 (3) To request that the attorney general, and, when  
18 appropriate, the prosecuting attorney of any county, take  
19 action to enforce this article or protect the public from any  
20 fraudulent scheme or criminal act;

21 (4) To meet at the request of the secretary of state or  
22 pursuant to regulations promulgated by him. Minutes of  
23 each meeting shall be public records and filed with the  
24 secretary of state.

25 (c) The secretary of state shall administer this article,  
26 prescribe forms for registration or other purposes, and  
27 promulgate rules and regulations in furtherance of this  
28 article in accordance with the provisions of chapter twenty-  
29 nine-a of this code.

**§29-19-5. Registration of charitable organizations; fee.**

1 (a) Every charitable organization which intends to  
2 solicit contributions within this state or to have funds  
3 solicited on its behalf shall, prior to any solicitation, file a  
4 registration statement with the secretary of state upon  
5 forms prescribed by him, which shall be good for one full  
6 year and which shall be refiled in the next and each  
7 following year in which such charitable organization is  
8 engaged in solicitation activities. It shall be the duty of the  
9 president, chairman or principal officer of such charitable  
10 organization to file the statements required under this  
11 article. Such statements shall be sworn to and shall contain  
12 the following information:

13 (1) The name of the organization and the purpose for  
14 which it was organized;

15 (2) The principal address of the organization and the  
16 address of any offices in this state. If the organization does  
17 not maintain an office, the name and address of the person  
18 having custody of its financial records;

19 (3) The names and addresses of any chapters, branches  
20 or affiliates in this state;

21 (4) The place where and the date when the organization  
22 was legally established, the form of its organization;

23 (5) The names and addresses of the officers, directors,  
24 trustees and the principal salaried executive staff officer;

25 (6) A copy of a balance sheet and income and expense  
26 statement for the organization's immediately preceding  
27 fiscal year, or a copy of a financial statement covering, in a  
28 consolidated report, complete information as to all the  
29 preceding year's fund-raising activities of the charitable  
30 organization, showing kind and amount of funds raised,  
31 costs and expenses incidental thereto, and allocation or  
32 disbursement of funds raised including the amounts raised  
33 in the state and the percentage of that amount that remains  
34 in the state: *Provided*, That for organizations raising more  
35 than fifty thousand dollars per year in contributions, the  
36 balance sheet and income and expense statement, or  
37 financial statement provided shall be audited by an  
38 independent public accountant.

39 (7) A copy of any determination of the organization's  
40 tax-exempt status under section 501 of the Internal  
41 Revenue Code and a copy of the last filed Internal Revenue  
42 Service form 990 and Schedule A for every charitable  
43 organization and any parent organization.

44 (8) Whether the organization intends to solicit  
45 contributions from the public directly or have such done on  
46 its behalf by others;

47 (9) Whether the organization is authorized by any other  
48 governmental authority to solicit contributions and  
49 whether it is or has ever been enjoined by any court from  
50 soliciting contributions;

51 (10) The general purpose or purposes for which the  
52 contributions to be solicited shall be used;

53 (11) The name or names under which it intends to solicit  
54 contributions;

55 (12) The names of the individuals or officers of the  
56 organization who will have final responsibility for the

57 custody of the contributions; and

58 (13) The names of the individuals or officers of the  
59 organization responsible for the final distribution of the  
60 contributions.

61 (b) Each chapter, branch or affiliate, except an  
62 independent member agency of a federated fund-raising  
63 organization, may separately report the information  
64 required by this subsection, or report the information to its  
65 parent organization which shall then furnish such  
66 information as to its West Virginia affiliates, chapters and  
67 branches in a consolidated form to the secretary of state. An  
68 independent member agency of a federated fund-raising  
69 organization, as hereinbefore defined, shall comply with  
70 the provisions of this article independently, unless  
71 specifically exempted from doing so.

72 (c) The registration forms and any other documents  
73 prescribed by the secretary of state shall be signed by an  
74 authorized officer or by an independent public accountant  
75 and by the chief fiscal officer of the charitable organization  
76 and shall be verified under oath.

77 (d) Every charitable organization which submits an  
78 independent registration to the secretary of state shall pay  
79 an annual registration fee of ten dollars; a parent  
80 organization filing on behalf of one or more chapters,  
81 branches or affiliates and a federated fund-raising  
82 organization filing on behalf of its member agencies shall  
83 pay a single annual registration fee for itself and such  
84 chapters, branches, affiliates or member agencies included  
85 in the registration statement.

**§29-19-6. Certain persons and organizations exempt from registration.**

1 (a) The following charitable organizations shall not be  
2 required to file an annual registration statement with the  
3 secretary of state:

4 (1) Educational institutions, the curriculums of which  
5 in whole or in part are registered or approved by the state  
6 board of education, either directly or by acceptance of  
7 accreditation by an accrediting body recognized by the  
8 state board of education;

9 (2) Persons requesting contributions for the relief of any  
10 individual specified by name at the time of the solicitation

11 when all of the contributions collected without any  
12 deductions whatsoever are turned over to the named  
13 beneficiary for his use;

14 (3) Charitable organizations which do not intend to  
15 solicit and receive and do not actually raise or receive  
16 contributions from the public in excess of seven thousand  
17 five hundred dollars during a calendar year or do not  
18 receive contributions from more than ten persons during a  
19 calendar year, if all of their functions, including fund-  
20 raising activities, are carried on by persons who are unpaid  
21 for their services and if no part of their assets or income  
22 inures to the benefit of or is paid to any officer or member.  
23 Charitable organizations which do not intend to solicit and  
24 receive in excess of seven thousand five hundred dollars,  
25 but do receive in excess of that amount from the public,  
26 shall file the annual registration statement within thirty  
27 days after contributions in excess of seven thousand five  
28 hundred dollars.

29 (4) Hospitals which are nonprofit and charitable;

30 (5) Organizations which solicit only within the  
31 membership of the organization by the members thereof:  
32 *Provided*, That the term "membership" shall not include  
33 those persons who are granted a membership upon making  
34 a contribution as the result of solicitation; or

35 (6) A local post, camp, chapter or similarly designated  
36 element or a county unit of such elements of a bona fide  
37 veterans' organization which issues charters to such local  
38 elements throughout this state, a bona fide organization of  
39 volunteer firemen, a bona fide ambulance association or  
40 bona fide rescue squad association or a bona fide auxiliary  
41 or affiliate of any such organization, provided all its fund-  
42 raising activities are carried on by members of such an  
43 organization or an affiliate thereof, and such members  
44 receive no compensation directly or indirectly therefor.

45 (b) Any charitable organization claiming to be exempt  
46 from the registration provisions of this act and which is  
47 about to or does solicit charitable contributions shall  
48 submit, annually, to the secretary of state on forms to be  
49 prescribed by him the name, address and purpose of the  
50 organization and a statement setting forth the reason for  
51 the claim for exemption. If exempted, the secretary of state  
52 shall issue, annually, a letter of exemption which may be

53 exhibited to the public. No registration fee shall be required  
54 of any exempt organization.

**§29-19-7. Filing of solicitation contracts.**

1 (a) Every written contract or agreement between  
2 professional fund-raising counsel and a charitable  
3 organization shall be filed with the secretary of state within  
4 ten days after such contract or agreement is concluded.

5 (b) Every written contract or agreement between a  
6 professional solicitor and a charitable organization shall be  
7 filed with the secretary of state within ten days after such  
8 agreement is concluded. In the absence of a written contract  
9 or agreement between a professional solicitor and a  
10 charitable organization, a written statement of the nature  
11 of the arrangement to prevail in lieu thereof shall be filed.

12 (c) Each statement must clearly provide the amount,  
13 percentage or other method of compensation to be received  
14 by the professional solicitor or professional fund-raising  
15 counsel as a result of the contract or arrangement. If it does  
16 not so provide, the secretary of state shall disapprove the  
17 contract or arrangement within ten days after its filing. No  
18 registered charitable organization or professional solicitor  
19 shall carry out or execute a disapproved contract or  
20 arrangement or perform services, or receive or make  
21 payments, pursuant to a disapproved contract or  
22 arrangement. Any party to a disapproved contract or  
23 arrangement shall, upon written request made within thirty  
24 days of disapproval, be given a hearing before the  
25 commission within thirty days after such request is filed.

26 (d) For purposes of this section, the total moneys, funds,  
27 pledges or other property raised or received shall not  
28 include the actual cost to the charitable organization or  
29 professional solicitor of goods sold or services provided to  
30 the public in connection with the soliciting of  
31 contributions.

**§29-19-9. Registration of professional fund-raising counsel  
and professional solicitor; bonds; records; books.**

1 (a) No person may act as a professional fund-raising  
2 counsel or professional solicitor for a charitable  
3 organization subject to the provisions of this article, unless  
4 he has first registered with the secretary of state.

5 Applications for such registration shall be in writing under  
6 oath or affirmation in the form prescribed by the secretary  
7 of state and contain such information as he may require.  
8 The application for registration by professional fund-  
9 raising counsel or professional solicitor shall be  
10 accompanied by an annual fee in the sum of fifty dollars. A  
11 partnership or corporation, which is a professional fund-  
12 raising counsel or professional solicitor, may register for  
13 and pay a single fee on behalf of all its members, officers,  
14 agents and employees. However, the names and addresses  
15 of all officers, agents and employees of professional fund-  
16 raising counsel and all professional solicitors, their officers,  
17 agents, servants or employees employed to work under the  
18 direction of a professional solicitor must be listed in the  
19 application.

20 (b) The applicant shall, at the time of the making of an  
21 application, file with and have approved by the secretary of  
22 state a bond in which the applicant shall be the principal  
23 obligor in the sum of ten thousand dollars and which shall  
24 have one or more sureties satisfactory to the secretary of  
25 state, whose liability in the aggregate as such sureties will  
26 at least equal the said sum and maintain said bond in effect  
27 so long as a registration is in effect. The bond shall run to the  
28 state for the use of the secretary of state and any person who  
29 may have a cause of action against the obligor of said bonds  
30 for any losses resulting from malfeasance, nonfeasance or  
31 misfeasance in the conduct of solicitation activities. A  
32 partnership or corporation which is a professional fund-  
33 raising counsel or professional solicitor may file a  
34 consolidated bond on behalf of all its members, officers and  
35 employees.

36 (c) Each registration shall be valid throughout the state  
37 for a period of one year and may be renewed for additional  
38 one-year periods upon written application under oath in  
39 the form prescribed by the secretary of state and the  
40 payment of the fee prescribed herein.

41 (d) The secretary of state or his designate shall examine  
42 each application, and if he finds it to be in conformity with  
43 the requirements of this article and all relevant rules and  
44 regulations and the registrant has complied with the  
45 requirements of this article and all relevant rules and  
46 regulations, he shall approve the registration. Any

47 applicant who is denied approved registration may, within  
48 fifteen days from the date of notification of such denial,  
49 request, in writing, a hearing before the commission, which  
50 hearing shall be held within fifteen days from the date of the  
51 request.

**§29-19-11. Records to be kept by charitable organizations,  
professional fund-raising counsel and  
professional solicitors.**

1 Every charitable organization subject to the provisions of  
2 this article shall, in accordance with the rules and  
3 regulations prescribed by the secretary of state, keep true  
4 fiscal records as to its activities in this state as may be  
5 covered by this article in such form as will enable it  
6 accurately to provide the information required by this  
7 article. Upon demand, such records shall be made available  
8 to the secretary of state, the commission or the attorney  
9 general for inspection. Such records shall be retained for a  
10 period of at least three years after the end of the period of  
11 registration to which they relate.

**§29-19-13. Prohibited acts.**

1 (a) No charitable organization, professional fund-  
2 raising counsel or professional solicitor subject to the  
3 provisions of this article who is required to register with the  
4 secretary of state pursuant to the provisions of this article  
5 whose registration has been cancelled, suspended, or  
6 refused may solicit contributions from the public.

7 (b) No charitable organization, professional fund-  
8 raising counsel or professional solicitor subject to the  
9 provisions of this article may use or exploit the fact of  
10 registration so as to lead the public to believe that such  
11 registration in any manner constitutes an endorsement or  
12 approval by the state. The use of the following statement  
13 shall not be deemed a prohibited exploitation: Registered  
14 with the secretary of state as required by law. Registration  
15 does not imply endorsement of a public solicitation for  
16 contributions.

17 (c) No person may, in connection with the solicitation of  
18 contributions for or the sale of goods or services of a person  
19 other than a charitable organization, misrepresent to or  
20 mislead anyone by any manner, means, practice or device

21 whatsoever, to believe that the person on whose behalf such  
 22 solicitation or sale is being conducted is a charitable  
 23 organization or that the proceeds of such solicitation or sale  
 24 will be used for charitable purposes, if such is not the fact.

25 (d) No person may in connection with the solicitation of  
 26 contributions or the sale of goods or services for charitable  
 27 purposes represent to or lead anyone by any manner, means,  
 28 practice or device whatsoever, to believe that any other  
 29 person sponsors or endorses such solicitation of  
 30 contributions, sale of goods or services for charitable  
 31 purposes or approves of such charitable purposes of a  
 32 charitable organization connected therewith when such  
 33 other person has not given consent to the use of his name for  
 34 these purposes: *Provided*, That any member of the board of  
 35 directors or trustees of a charitable organization or any  
 36 other person who has agreed either to serve or to participate  
 37 in any voluntary capacity in the campaign shall be deemed  
 38 thereby to have given his consent to the use of his name in  
 39 said campaign.

40 (e) No person may make any representation that he is  
 41 soliciting contributions for or on behalf of a charitable  
 42 organization or shall use or display any emblem, device or  
 43 printed matter belonging to or associated with a charitable  
 44 organization for the purpose of soliciting or inducing  
 45 contributions from the public without first being  
 46 authorized to do so by the charitable organization.

47 (f) No professional solicitor may solicit in the name of or  
 48 on behalf of any charitable organization unless such  
 49 solicitor:

50 (1) Has obtained the written authorization of two  
 51 officers of such organization, a copy of which shall be filed  
 52 with the secretary of state. Such written authorization shall  
 53 bear the signature of the solicitor and shall expressly state  
 54 on its face the period for which it is valid, which shall not  
 55 exceed one year from the date issued; and

56 (2) Carries such authorization on his person when  
 57 making solicitations and exhibits the same on request to  
 58 persons solicited or police officers or agents of the secretary  
 59 of state.

#### **§29-19-15. Enforcement and penalties.**

1 (a) If any charitable organization, professional fund-  
 2 raising counsel or professional solicitor fails to file any

3 registration application or statement, report or other  
4 information required to be filed by the secretary of state  
5 under this article, or otherwise violates the provisions of  
6 this act, the secretary of state shall notify the delinquent  
7 charitable organization, professional fund-raising counsel  
8 or professional solicitor by mailing a notice by registered or  
9 certified mail, with return receipt requested, to its or his  
10 last-known address. If the required registration application  
11 or statement, annual report or other information is not filed  
12 or if the existing violation is not discontinued within two  
13 weeks after the formal notification or receipt of such notice,  
14 the secretary of state may cancel, suspend or refuse to  
15 accept the registration of such delinquent charitable  
16 organization, professional fund-raising counsel or  
17 professional solicitor.

18 (b) The secretary of state, upon his own motion, upon  
19 request of the commission, or upon complaint of any person,  
20 may, if he finds reasonable ground to suspect a violation,  
21 investigate any charitable organization, professional fund-  
22 raising counsel or professional solicitor to determine  
23 whether such charitable organization, professional fund-  
24 raising counsel or professional solicitor has violated the  
25 provisions of this article or has filed any application or  
26 other information required under this article which  
27 contains false or misleading statements. If the commission  
28 finds that any application or other information contains  
29 false or misleading statements, or that a registrant under  
30 this article has violated the provisions thereof, it may  
31 recommend to the secretary of state that the registration be  
32 suspended or canceled and the secretary of state may so  
33 order.

34 (c) The registration of any charitable organization,  
35 professional fund-raising counsel or professional solicitor,  
36 which or who knowingly makes a false or misleading  
37 statement in any registration application or statement,  
38 report or other information required to be filed by the  
39 secretary of state or this article, shall be revoked.

40 (d) All administrative proceedings under this article,  
41 including the promulgation of rules and regulations, shall  
42 be conducted in accordance with the provisions of chapter  
43 twenty-nine-a of this code and all commission  
44 adjudications shall be subject to review and appeal as  
45 provided therein.

46 (e) In addition to the foregoing, any person who  
47 willfully and knowingly violates any provisions of this  
48 article, or who shall willfully and knowingly give false or  
49 incorrect information to the secretary of state in filing  
50 statements or reports required by this article, whether such  
51 report or statement is verified or not, shall be guilty of a  
52 misdemeanor, and, upon conviction thereof, shall be fined  
53 upon first conviction thereof in an amount not less than one  
54 hundred dollars nor more than five hundred dollars, or be  
55 imprisoned in the county jail for not more than six months,  
56 or be both fined and imprisoned, and for the second and any  
57 subsequent offense to pay a fine of not less than five  
58 hundred dollars nor more than one thousand dollars, or be  
59 imprisoned for not more than one year, or be both fined and  
60 imprisoned.

61 (f) Whenever the attorney general or any prosecuting  
62 attorney has reason to believe that any charitable  
63 organization, professional fund-raising counsel or  
64 professional solicitor is operating in violation of the  
65 provisions of this article, or has knowingly and willfully  
66 made any false statement in any registration application or  
67 statement, report or other information required to be filed  
68 by this article, or whenever a charitable organization,  
69 professional fund-raising counsel or professional solicitor  
70 has failed to file a registration statement required by this  
71 article, or whenever there is employed or is about to be  
72 employed in any solicitation or collection of contributions  
73 for a charitable organization any device, scheme or artifice  
74 to defraud or to obtain money or property by means of any  
75 false pretense, representation or promise, or whenever the  
76 officers or representatives of any charitable organization,  
77 professional fund-raising counsel or professional solicitor  
78 have refused or failed after notice to produce any records of  
79 such organization, or whenever the funds raised by  
80 solicitation activities are not devoted or will not be devoted  
81 to the charitable purposes of the charitable organization, in  
82 addition to all other actions authorized by law, the attorney  
83 general or prosecuting attorney may bring an action in the  
84 name of the state against such charitable organization and  
85 its officers, such professional fund-raising counsel or  
86 professional solicitor or any other person who has violated  
87 this article or who has participated or is about to  
88 participate in any solicitation or collection by employing

89 any device, scheme, artifice, false representation or  
90 promise, to defraud or obtain money or other property, to  
91 enjoin such charitable organization or professional fund-  
92 raising counsel or professional solicitor or other person  
93 from continuing such violation, solicitation or collection, or  
94 from engaging therein or from doing any acts in furtherance  
95 thereof and for such other relief as the court deems  
96 appropriate.

97 (g) In addition to the foregoing, any charitable  
98 organization, professional fund-raising counsel or  
99 professional solicitor who willfully and knowingly violates  
100 any provisions of this article by employing any device,  
101 scheme, artifice, false representation or promise with intent  
102 to defraud or obtain money or other property shall be guilty  
103 of a misdemeanor, and, upon conviction thereof, for a first  
104 offense, shall be fined not less than one hundred dollars nor  
105 more than five hundred dollars, or be confined in the county  
106 jail not more than six months, or be both fined and  
107 imprisoned; and for a second and any subsequent offense,  
108 shall be fined not less than five hundred dollars nor more  
109 than one thousand dollars, or confined in the county jail not  
110 more than one year, or be both fined and imprisoned.

111 At any proceeding under this section, the court shall also  
112 determine whether it is possible to return to the  
113 contributors the contributions which were thereby  
114 obtained.

115 If the court finds that the said contributions are readily  
116 returnable to the original contributors, it may order the  
117 money to be placed in the custody and control of a general  
118 receiver, appointed pursuant to the provisions of article six,  
119 chapter fifty-one of this code, who shall be responsible for  
120 its proper disbursement to such contributors.

121 If the court finds that: (1) It is impossible to obtain the  
122 names of over one half the persons who were solicited and in  
123 violation of this article, or (2) if the majority of individual  
124 contributions was of an amount less than five dollars, or (3)  
125 if the cost to the state of returning these contributions is  
126 equal to or more than the total sum to be refunded, the court  
127 shall order the money to be placed in the custody and  
128 control of a general receiver appointed pursuant to the  
129 provisions of article six, chapter fifty-one of this code. The  
130 general receiver shall maintain this money pursuant to the  
131 provisions of article eight, chapter thirty six of this code.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

*Harold E. Adams*  
.....  
Chairman Senate Committee

*Floyd Fuller*  
.....  
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

*Todd C. Wells*  
.....  
Clerk of the Senate

*Donald Z. Kopp*  
.....  
Clerk of the House of Delegates

*Sam Tankership*  
.....  
President of the Senate

*Joseph P. Allright*  
.....  
Speaker House of Delegates

The within *approved* this the *2nd*  
*May*  
day of ..... 1985.

*Ann A. Branch*  
.....  
Governor



PRESENTED TO THE

GOVERNOR

Date

4/14/85

Time

8:50 p.m.