

**The Solicitation of Funds for Charitable Purposes Act**  
**10 P.S. § 162.1 et seq.**

**Act 202 of 1990 (last amended and effective February 20, 2018)**

**AN ACT**

Relating to charitable organizations; requiring the registration of such organizations; and regulating the solicitation of money and property by or on behalf of charitable organizations. This legislation went into effect on February 21, 1991.

**§ 162.1. Short title**

This act shall be known and may be cited as the Solicitation of Funds for Charitable Purposes Act.

Act 1990-202 (H.B. 365), § 1, approved Dec. 19, 1990, eff. in 60 days.

**§ 162.2. Legislative intent**

It is the intention of the General Assembly that this act shall not merely require proper registration of charitable organizations, professional fundraisers and professional solicitors, but shall protect the citizens of this Commonwealth by requiring full public disclosure of the identity of persons who solicit contributions from the public, the purposes for which such contributions are solicited and the manner in which they are actually used, by promoting consumer education about charitable concerns, by providing civil and criminal penalties for deception and dishonest statements and conduct in the solicitation and reporting of contributions for or in the name of charitable purposes and by publicizing matters relating to fraud, deception and misrepresentation perpetrated in the name of charity. This act shall not be construed to be exclusive in its purview, and its application shall not operate as a bar or otherwise prevent the contemporaneous or subsequent application of any other relevant act or acts.

Act 1990-202 (H.B. 365), § 1, approved Dec. 19, 1990, eff. in 60 days.

**§ 162.3. Definitions**

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"ADMINISTRATIVE COSTS." All management and general costs of a charitable organization, not identifiable with a single program or fundraising activity, but indispensable to the conduct of such programs and activities and to an organization's existence, including expenses for the overall direction of the organization, business management, general recordkeeping, budgeting, financial reporting and related activities, salaries, rent, supplies, equipment and general overhead expenses.

"AFFILIATE." Any chapter, branch, auxiliary or other subordinate unit of any charitable organization, howsoever designated, whose policies, fundraising activities and expenditures are supervised or controlled by such parent organization.

"BUREAU." The Bureau of Charitable Organizations of the Department of State.

Except as otherwise provided in section 12, registration statements and applications, reports, notices, contracts or agreements between charitable organizations and professional fundraising counsel, professional solicitors and commercial coventurers, and all other documents and information required to be filed under this act with the department shall become public records in the office of the bureau and shall be open to the general public at such time and under such conditions as the department may prescribe.

Act 1990-202 (H.B. 365), § 1, approved Dec. 19, 1990, eff. in 60 days.

**§ 162.12. Records to be kept by charitable organizations, professional fundraising counsels and professional solicitors; inspection; retention**

Every charitable organization, professional fundraising counsel and professional solicitor subject to the provisions of this act shall, in accordance with the rules and regulations prescribed by the department, keep true fiscal records as to its activities in this Commonwealth as may be covered under this act, in such form as will enable them accurately to provide the information required under this act. Such records shall be made available for inspection upon demand by the department or the Office of Attorney General. However, names, addresses and identities of contributors and amounts contributed by them shall not be considered a matter of public record and, therefore, shall not generally be made available for public inspection, shall not be used for a purpose inconsistent with this act and shall be removed from the records in the custody of the department at such time that such information is no longer necessary for the enforcement of this act. Such records shall be maintained for a period of at least three years after the end of the period of registration to which they relate.

Act 1990-202 (H.B. 365), § 1, approved Dec. 19, 1990, eff. in 60 days.

**§ 162.13. Limitation on activities of charitable organizations; disclosure requirements**

(a) SOLICITATION LIMITATION.-- A charitable organization may only solicit contributions for the charitable purpose expressed in solicitation for contributions or the registration statement of the charitable organization and may only apply contributions in a manner substantially consistent with that purpose.

(b) SOLICITATION DISCLOSURES.-- A charitable organization soliciting in this Commonwealth shall include all of the following disclosures at the point of solicitation:

(1) Its legal name as registered with the department and location and, if different, the legal name and address of the charitable organization as registered with the department on whose behalf the solicitation is being conducted. Any use of a project or program name in a solicitation must be immediately followed by a disclosure of the legal name of the charitable organization as registered.

(2) If requested, the name and address or telephone number of a representative to whom inquiries could be addressed.

(3) A full and fair description of the charitable purpose or purposes for which the solicitation is being made, and a source from which written information is available.

(4) If requested, the source from which a financial statement may be obtained. Such financial statement shall be consistent with the annual financial report requested under section 5 and shall disclose assets, liabilities, fund balances, revenue and expenses for the preceding fiscal year. Expenses shall be separated into program services, administrative costs and fundraising costs.

(c) NOTICE ON PRINTED SOLICITATION.-- On every printed solicitation or written confirmation, receipt and reminder of a contribution, the following statement must be conspicuously printed verbatim:

The official registration and financial information of (insert the legal name of the charity as registered with the department) may be obtained from the Pennsylvania Department of State by calling toll free, within Pennsylvania, 1 (800) 732-0999. Registration does not imply endorsement.

(d) MISREPRESENTATION.-- A charitable organization may not misrepresent its purpose or nature or the purpose or beneficiary of a solicitation. A misrepresentation may be accomplished by words or conduct or failure to disclose a material fact.

(e) CONTROL OVER FUNDRAISING ACTIVITIES.-- A charitable organization must establish and exercise control over fundraising activities conducted for its benefit, including approval of all written contracts and agreements, and must assure that fundraising activities are conducted without coercion.

(f) RESTRICTIONS ON CERTAIN CONTRACTS.-- A charitable organization shall not enter into any contract or agreement with or employ any professional fundraising counsel or professional solicitor unless that professional fundraising counsel or professional solicitor is registered with the department.

(g) REGISTRATION WITH DEPARTMENT REQUIRED.-- A charitable organization shall not enter into any contract or agreement with or raise any funds for any charitable organization required to be registered pursuant to this act unless such charitable organization is registered with the department.

(h) DEPOSIT OF CONTRIBUTIONS.-- Each contribution in the control or custody of the professional solicitor shall in its entirety and within five days of its receipt be deposited, maintained and administered in an account at a bank or other Federally insured financial institution which shall be in the name of the charitable organization and over which that charitable organization shall have sole control of all withdrawals.

Act 1990-202 (H.B. 365), § 1, approved Dec. 19, 1990, eff. in 60 days; Act 1992-92 (S.B. 1299), § 6, approved July 9, 1992, eff. Jan. 1, 1993.

## § 162.14. Reciprocal agreements