

By Senator Brandes

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1 A bill to be entitled
2 An act relating to charities; amending s. 212.08,
3 F.S.; excluding charitable organizations or sponsors
4 disqualified by the Department of Agriculture and
5 Consumer Services from receiving certain tax
6 exemptions; amending s. 212.084, F.S.; requiring the
7 Department of Revenue to revoke or deny a sales tax
8 exemption to charitable organizations or sponsors
9 disqualified by the department; providing for a
10 limited appeal of the denial or revocation of the
11 sales tax exemption; amending s. 496.404, F.S.;
12 defining terms; redefining the term "religious
13 institution"; amending s. 496.405, F.S.; revising the
14 timeframe within which a charitable organization or
15 sponsor must report changes to certain information
16 provided to the department on an initial or renewal
17 registration statement; providing for the automatic
18 expiration of a registration for failure to file a
19 renewal or financial statement by a certain date;
20 repealing a requirement that the renewal statement be
21 filed subsequent to the financial statement; repealing
22 authorization to extend the time to file a renewal
23 statement; specifying the information that must be
24 submitted by a parent organization on a consolidated
25 financial statement; extending the time allowed for
26 the department to review certain initial or renewal
27 registration statements; providing that failure of a
28 charitable organization or sponsor to make certain
29 disclosures in a registration statement results in the

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30 automatic suspension of an active registration for a
31 specified period; prohibiting the officers, directors,
32 trustees, or employees of a charitable organization or
33 sponsor from allowing certain persons to solicit
34 contributions on behalf of the charitable organization
35 or sponsor; specifying that the prohibition against
36 certain persons soliciting contributions on behalf of
37 a charitable organization or sponsor due to the
38 commission of certain felonies includes those felonies
39 committed in any state as well as any misdemeanor in
40 another state which constitutes a disqualifying felony
41 in this state; authorizing the department to deny or
42 revoke the registration of a charitable organization
43 or sponsor under certain circumstances; requiring a
44 charitable organization or sponsor that has ended
45 solicitation activities in this state to notify the
46 department in writing; making technical changes;
47 creating s. 496.4055, F.S.; defining the term
48 "conflict of interest transaction"; requiring the
49 board of directors of a charitable organization or
50 sponsor, or an authorized committee thereof, to adopt
51 a policy regarding conflict of interest transactions;
52 amending s. 496.407, F.S.; requiring that the
53 financial statements of certain charitable
54 organizations or sponsors be audited or reviewed;
55 specifying requirements and standards for the audit or
56 review of a financial statement; restricting the use
57 of an existing alternative to the required annual
58 financial statement to certain charities; authorizing

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59 the department to require an audit or review of any
60 financial statement and to extend the time to file a
61 financial statement under certain circumstances;
62 providing that the registration of a charitable
63 organization or sponsor be suspended upon its failure
64 to file a financial statement within an extension
65 period; making technical changes; creating s.
66 496.4071, F.S.; requiring certain charitable
67 organizations or sponsors to report specified
68 supplemental financial information to the department
69 by a certain date; creating s. 496.4072, F.S.;

70 requiring certain charitable organizations or sponsors
71 who solicit contributions for a specific disaster
72 relief effort to submit quarterly financial statements
73 to the department; specifying information to be
74 included in the quarterly financial statement and the
75 length of the required reporting period; amending ss.
76 496.409 and 496.410, F.S.; prohibiting a professional
77 fundraising consultant or professional solicitor from
78 entering into a contract or agreement with a
79 charitable organization or sponsor that has not
80 complied with certain requirements; extending the time
81 that the department may review initial or renewal
82 registration statements of professional fundraising
83 consultants or professional solicitors which contain
84 certain disclosures; providing that the failure of a
85 professional fundraising consultant or professional
86 solicitor to make certain disclosures in an initial or
87 renewal registration statement results in automatic

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88 suspension of an active registration; prohibiting the
89 officers, trustees, directors, or employees of a
90 professional fundraising consultant or a professional
91 solicitor from allowing certain persons to solicit
92 contributions on behalf of the professional
93 fundraising consultant or professional solicitor;
94 specifying that the prohibition against acting as a
95 professional solicitor or the employment of certain
96 persons by a professional solicitor due to the
97 commission of certain felonies includes those felonies
98 committed in any state as well as any misdemeanor in
99 another state which constitutes a disqualifying felony
100 in this state; authorizing the department to deny or
101 revoke the registration of a professional fundraising
102 consultant or professional solicitor under certain
103 circumstances; revising required information in the
104 initial or renewal application of a professional
105 solicitor; repealing a provision authorizing the
106 payment of a single registration fee for certain
107 professional solicitors; requiring a professional
108 solicitor to provide additional specified information
109 to the department in a solicitation notice; creating
110 s. 496.4101, F.S.; requiring each officer, director,
111 trustee, or owner of a professional solicitor and any
112 employee of a professional solicitor that conducts
113 telephone solicitations to obtain a solicitor license
114 from the department; specifying application
115 information and the application procedure for a
116 solicitor license; requiring each applicant for a

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117 solicitor license to submit a complete set of his or
118 her fingerprints and a fee for fingerprint processing
119 to the department; requiring that the applicant's
120 fingerprints be taken by a law enforcement officer or
121 approved provider; requiring the department to submit
122 the applicant's fingerprints to the Department of Law
123 Enforcement for a criminal history background check;
124 requiring the Department of Law Enforcement to report
125 findings of the criminal history background check to
126 the department within a specified period; requiring
127 that a solicitor license be renewed annually or expire
128 automatically upon nonrenewal; requiring that an
129 applicant for a solicitor license pay certain
130 licensing fees; providing that licensing fees be
131 deposited into the General Inspection Trust Fund;
132 requiring that an applicant for a solicitor license
133 report changes in information submitted to the
134 department in a specified manner along with a
135 processing fee; specifying violations; requiring the
136 department to adopt rules allowing certain persons to
137 engage in solicitation activities without a solicitor
138 license for a specified period; authorizing the
139 department to deny or revoke a solicitor license under
140 specified circumstances; amending ss. 496.411 and
141 496.412, F.S.; expanding and revising required
142 solicitation disclosures of charitable organizations,
143 sponsors, and professional solicitors; requiring that
144 certain exempt charitable organizations or sponsors
145 also provide such solicitation disclosures; requiring

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146 that such solicitation disclosures be placed online
147 under certain circumstances; creating s. 496.4121,
148 F.S.; defining the term "collection receptacle";
149 requiring that collection receptacles display
150 permanent signs or labels; specifying requirements for
151 the physical appearance of such labels or signs and
152 information displayed thereon; requiring that a
153 charitable organization or sponsor using a collection
154 receptacle provide certain information to a donor upon
155 request; amending s. 496.415, F.S.; providing that the
156 submission of false, misleading, or inaccurate
157 information in a document connected with a
158 solicitation or sales promotion is unlawful; providing
159 that the failure to remit specified funds to a
160 charitable organization or sponsor is unlawful;
161 amending s. 496.419, F.S.; increasing administrative
162 fines for violations of the Solicitation of
163 Contributions Act; creating s. 496.4191, F.S.;
164 requiring the department to immediately suspend a
165 registration or processing of an application for
166 registration for a specified period if the registrant,
167 applicant, or any officer or director thereof is
168 criminally charged with certain offenses; creating s.
169 496.430, F.S.; authorizing the department to
170 disqualify a charitable organization or sponsor from
171 receiving a sales tax exemption under specified
172 circumstances; providing that a charitable
173 organization or sponsor may appeal a disqualification
174 order; specifying appeal procedure; providing

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175 exceptions; providing that a disqualification order
176 remains effective for a specified period; specifying
177 the procedure to lift a disqualification order;
178 requiring the department to provide a final
179 disqualification order to the Department of Revenue
180 within a specified period; providing that a final
181 disqualification order is conclusive as to a
182 charitable organization or sponsor's right to a sales
183 tax exemption; requiring the Department of Revenue to
184 revoke or deny a sales tax exemption to a charitable
185 organization or sponsor subject to a final
186 disqualification order within a specified period;
187 providing for a limited appeal of the revocation or
188 denial of the sales tax exemption; providing
189 applicability; amending s. 741.0305, F.S.; conforming
190 a cross-reference; making an appropriation; providing
191 an effective date.

192

193 Be It Enacted by the Legislature of the State of Florida:

194

195 Section 1. Paragraph (p) of subsection (7) of section
196 212.08, Florida Statutes, is amended to read:

197 212.08 Sales, rental, use, consumption, distribution, and
198 storage tax; specified exemptions.—The sale at retail, the
199 rental, the use, the consumption, the distribution, and the
200 storage to be used or consumed in this state of the following
201 are hereby specifically exempt from the tax imposed by this
202 chapter.

203 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any

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204 entity by this chapter do not inure to any transaction that is
205 otherwise taxable under this chapter when payment is made by a
206 representative or employee of the entity by any means,
207 including, but not limited to, cash, check, or credit card, even
208 when that representative or employee is subsequently reimbursed
209 by the entity. In addition, exemptions provided to any entity by
210 this subsection do not inure to any transaction that is
211 otherwise taxable under this chapter unless the entity has
212 obtained a sales tax exemption certificate from the department
213 or the entity obtains or provides other documentation as
214 required by the department. Eligible purchases or leases made
215 with such a certificate must be in strict compliance with this
216 subsection and departmental rules, and any person who makes an
217 exempt purchase with a certificate that is not in strict
218 compliance with this subsection and the rules is liable for and
219 shall pay the tax. The department may adopt rules to administer
220 this subsection.

221 (p) *Section 501(c)(3) organizations.*—Also exempt from the
222 tax imposed by this chapter are sales or leases to organizations
223 determined by the Internal Revenue Service to be currently
224 exempt from federal income tax pursuant to s. 501(c)(3) of the
225 Internal Revenue Code of 1986, as amended, if when such leases
226 or purchases are used in carrying on their customary nonprofit
227 activities, unless such organizations are subject to a final
228 disqualification order issued by the Department of Agriculture
229 and Consumer Services pursuant to s. 496.430.

230 Section 2. Subsection (3) of section 212.084, Florida
231 Statutes, is amended, and subsection (7) is added to that
232 section, to read:

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233 212.084 Review of exemption certificates; reissuance;
234 specified expiration date; temporary exemption certificates.—

235 (3) After review is completed and it has been determined
236 that an institution, organization, or individual is actively
237 engaged in a bona fide exempt endeavor and is not subject to a
238 final disqualification order issued by the Department of
239 Agriculture and Consumer Services pursuant to s. 496.430, the
240 department shall reissue an exemption certificate to the entity.
241 However, each certificate so reissued is valid for 5 consecutive
242 years, at which time the review and reissuance procedure
243 provided by this section apply again. If the department
244 determines that an entity no longer qualifies for an exemption,
245 it shall revoke the tax exemption certificate of the entity.

246 (7) The department shall revoke or refuse to grant a sales
247 tax exemption certificate to an institution, organization, or
248 individual that is the subject of a final disqualification order
249 issued by the Department of Agriculture and Consumer Services
250 pursuant to s. 496.430. A revocation or denial under this
251 subsection is subject to challenge under chapter 120 only as to
252 whether a disqualification order is in effect. The institution,
253 organization, or individual must appeal or challenge the
254 validity of the disqualification order pursuant to s.
255 496.430(2).

256 Section 3. Section 496.404, Florida Statutes, is amended to
257 read:

258 496.404 Definitions.—As used in ss. 496.401-496.424, the
259 term:

260 (1) "Charitable organization" means a ~~any~~ person who is or
261 holds herself or himself out to be established for any

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262 benevolent, educational, philanthropic, humane, scientific,
263 artistic, patriotic, social welfare or advocacy, public health,
264 environmental conservation, civic, or other eleemosynary
265 purpose, or a ~~any~~ person who in any manner employs a charitable
266 appeal as the basis for any solicitation or an appeal that
267 suggests that there is a charitable purpose to any solicitation.
268 The term ~~It~~ includes a chapter, branch, area office, or similar
269 affiliate soliciting contributions within the state for a
270 charitable organization that ~~which~~ has its principal place of
271 business outside the state.

272 (2) "Charitable purpose" means any benevolent,
273 philanthropic, patriotic, educational, humane, scientific,
274 artistic, public health, social welfare or advocacy,
275 environmental conservation, civic, or other eleemosynary
276 objective.

277 (3) "Charitable sales promotion" means an advertising or
278 sales campaign conducted by a commercial co-venturer which
279 represents that the purchase or use of goods or services offered
280 by the commercial co-venturer ~~are to~~ benefit a charitable
281 organization. The provision of advertising services to a
282 charitable organization does not, in itself, constitute a
283 charitable sales promotion.

284 (4) "Commercial co-venturer" means a ~~any~~ person who, for
285 profit, regularly and primarily is engaged in trade or commerce
286 other than in connection with solicitation of contributions and
287 who conducts a charitable sales promotion or a sponsor sales
288 promotion.

289 (5) "Contribution" means the promise, pledge, or grant of
290 any money or property, financial assistance, or any other thing

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291 of value in response to a solicitation. The term "Contribution"
 292 includes, in the case of a charitable organization or sponsor
 293 offering goods and services to the public, the difference
 294 between the direct cost of the goods and services to the
 295 charitable organization or sponsor and the price at which the
 296 charitable organization or sponsor or any person acting on
 297 behalf of the charitable organization or sponsor resells those
 298 goods or services to the public. The term "Contribution" does
 299 not include bona fide fees, dues, or assessments paid by
 300 members, if provided that membership is not conferred solely as
 301 consideration for making a contribution in response to a
 302 solicitation; ~~or "Contribution" also does not include~~ funds
 303 obtained by a charitable organization or sponsor pursuant to
 304 government grants or contracts; funds, ~~or~~ obtained as an
 305 allocation from a United Way organization that is duly
 306 registered with the department; or funds received from an
 307 organization that is exempt from federal income taxation under
 308 s. 501(a) of the Internal Revenue Code and described in s.
 309 501(c) of the Internal Revenue Code which ~~that~~ is duly
 310 registered with the department.

311 (6) "Crisis" means an event that garners widespread
 312 national or global media coverage due to an actual or perceived
 313 threat of harm to an individual, a group, or a community.

314 (7) ~~(6)~~ "Department" means the Department of Agriculture and
 315 Consumer Services.

316 (8) "Disaster" means a natural, technological, or civil
 317 event, including, but not limited to, an explosion, chemical
 318 spill, earthquake, tsunami, landslide, volcanic activity,
 319 avalanche, wildfire, tornado, hurricane, drought, or flood,

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320 which affects one or more countries and causes damage of
321 sufficient severity and magnitude to result in:

322 (a) An official declaration of a state of emergency; or

323 (b) An official request for international assistance.

324 (9)~~(7)~~ "Division" means the Division of Consumer Services
325 of the Department of Agriculture and Consumer Services.

326 (10)~~(8)~~ "Educational institutions" means those institutions
327 and organizations described in s. 212.08(7)(cc)8.a. The term
328 includes private nonprofit organizations, the purpose of which
329 is to raise funds for schools teaching grades kindergarten
330 through grade 12, colleges, and universities, including any
331 nonprofit newspaper of free or paid circulation primarily on
332 university or college campuses which holds a current exemption
333 from federal income tax under s. 501(c)(3) of the Internal
334 Revenue Code, any educational television network or system
335 established pursuant to s. 1001.25 or s. 1001.26, and any
336 nonprofit television or radio station that is a part of such
337 network or system and that holds a current exemption from
338 federal income tax under s. 501(c)(3) of the Internal Revenue
339 Code. The term also includes a nonprofit educational cable
340 consortium that holds a current exemption from federal income
341 tax under s. 501(c)(3) of the Internal Revenue Code, whose
342 primary purpose is the delivery of educational and instructional
343 cable television programming and whose members are composed
344 exclusively of educational organizations that hold a valid
345 consumer certificate of exemption and that are either an
346 educational institution as defined in this subsection or
347 qualified as a nonprofit organization pursuant to s. 501(c)(3)
348 of the Internal Revenue Code.

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349 (11)~~(9)~~ "Emergency service employee" means an ~~any~~ employee
350 who is a firefighter, as defined in s. 633.102, or ambulance
351 driver, emergency medical technician, or paramedic, as defined
352 in s. 401.23.

353 (12)~~(10)~~ "Federated fundraising organization" means a
354 federation of independent charitable organizations that ~~which~~
355 have voluntarily joined together, including, but not limited to,
356 a united way or community chest, for purposes of raising and
357 distributing contributions for and among themselves and where
358 membership does not confer operating authority and control of
359 the individual organization upon the federated group
360 organization.

361 (13)~~(11)~~ "Fundraising costs" means those costs incurred in
362 inducing others to make contributions to a charitable
363 organization or sponsor for which the contributors will receive
364 no direct economic benefit. Fundraising costs include, but are
365 not limited to, salaries, rent, acquiring and obtaining mailing
366 lists, printing, mailing, and all direct and indirect costs of
367 soliciting, as well as the cost of unsolicited merchandise sent
368 to encourage contributions.

369 (14)~~(12)~~ "Law enforcement officer" means a ~~any~~ person who
370 is elected, appointed, or employed by any municipality or the
371 state or any political subdivision thereof and:

372 (a) Who is vested with authority to bear arms and make
373 arrests and whose primary responsibility is the prevention and
374 detection of crime or the enforcement of the criminal, traffic,
375 or highway laws of the state; or

376 (b) Whose responsibility includes supervision, protection,
377 care, custody, or control of inmates within a correctional

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378 institution.

379 (15) "Management and general costs" means all such costs of
380 a charitable organization or sponsor which are not identifiable
381 with a single program or fundraising activity but which are
382 indispensable to the conduct of such programs and activities and
383 the charitable organization's or sponsor's existence. The term
384 includes, but is not limited to, expenses for:

385 (a) The overall direction of the organization.

386 (b) Business management.

387 (c) General recordkeeping.

388 (d) Budgeting.

389 (e) Financial reporting and related expenses.

390 (f) Salaries.

391 (g) Rent.

392 (h) Supplies.

393 (i) Equipment.

394 (j) General overhead.

395 (16)~~(13)~~ "Membership" means the relationship of a person to
396 an organization which ~~that~~ entitles her or him to the
397 privileges, professional standing, honors, or other direct
398 benefit of the organization in addition to the right to vote,
399 elect officers, and hold office in the organization.

400 (17)~~(14)~~ "Owner" means a ~~any~~ person who has a direct or
401 indirect interest in any professional fundraising consultant or
402 professional solicitor.

403 (18)~~(15)~~ "Parent organization" means that part of a
404 charitable organization or sponsor which coordinates,
405 supervises, or exercises control over policy, fundraising, and
406 expenditures or assists or advises one or more of the

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407 organization's chapters, branches, or affiliates in this state.

408 (19)~~(16)~~ "Person" means an ~~any~~ individual, organization,
409 trust, foundation, group, association, entity, partnership,
410 corporation, society, or any combination thereof ~~of them~~.

411 (20)~~(17)~~ "Professional fundraising consultant" means a ~~any~~
412 person who is retained by a charitable organization or sponsor
413 for a fixed fee or rate under a written agreement to plan,
414 manage, conduct, carry on, advise, consult, or prepare material
415 for a solicitation of contributions in this state, but who does
416 not solicit contributions or employ, procure, or engage any
417 compensated person to solicit contributions and who does not at
418 any time have custody or control of contributions. A bona fide
419 volunteer or bona fide employee or salaried officer of a
420 charitable organization or sponsor maintaining a permanent
421 establishment in this state is not a professional fundraising
422 consultant. An attorney, investment counselor, or banker who
423 advises an individual, corporation, or association to make a
424 charitable contribution is not a professional fundraising
425 consultant as the result of such advice.

426 (21)~~(18)~~ "Professional solicitor" means a ~~any~~ person who,
427 for compensation, performs for a charitable organization or
428 sponsor any service in connection with which contributions are
429 or will be solicited in this state by the compensated person or
430 by any person it employs, procures, or otherwise engages,
431 directly or indirectly, to solicit contributions, or a person
432 who plans, conducts, manages, carries on, advises, consults,
433 ~~whether~~ directly or indirectly, in connection with the
434 solicitation of contributions for or on behalf of a charitable
435 organization or sponsor, but who does not qualify as a

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436 professional fundraising consultant. A bona fide volunteer or
437 bona fide employee or salaried officer of a charitable
438 organization or sponsor maintaining a permanent establishment in
439 this state is not a professional solicitor. An attorney,
440 investment counselor, or banker who advises an individual,
441 corporation, or association to make a charitable contribution is
442 not a professional solicitor as the result of such advice.

443 (22) "Program service costs" means all expenses incurred
444 primarily to accomplish the charitable organization or sponsor's
445 stated purposes. The term does not include fundraising costs.

446 (23)~~(19)~~ "Religious institution" means any church,
447 ecclesiastical or denominational organization, or established
448 physical place for worship in this state at which nonprofit
449 religious services and activities are regularly conducted and
450 carried on, and includes those bona fide religious groups which
451 do not maintain specific places of worship. The term "Religious
452 institution" also includes any separate group or corporation
453 that ~~which~~ forms an integral part of a religious institution
454 that ~~which~~ is exempt from federal income tax under the
455 provisions of s. 501(c)(3) of the Internal Revenue Code, that is
456 or qualifies as being exempt from filing an annual tax return
457 under the provisions of 26 U.S.C. s. 6033, and that ~~which~~ is not
458 primarily supported by funds solicited outside its own
459 membership or congregation.

460 (24)~~(20)~~ "Solicitation" means a request, directly or
461 indirectly, for money, property, financial assistance, or any
462 other thing of value on the plea or representation that such
463 money, property, financial assistance, or other thing of value
464 or a portion of it will be used for a charitable or sponsor

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465 purpose or will benefit a charitable organization or sponsor.
466 The term "Solicitation" includes, but is not limited to, the
467 following methods of requesting or securing the promise, pledge,
468 or grant of money, property, financial assistance, or any other
469 thing of value:

470 (a) Making any oral or written request;

471 (b) Making any announcement to the press, on radio or
472 television, by telephone or telegraph, or by any other
473 communication device concerning an appeal or campaign by or for
474 any charitable organization or sponsor or for any charitable or
475 sponsor purpose;

476 (c) Distributing, circulating, posting, or publishing any
477 handbill, written advertisement, or other publication that
478 directly or by implication seeks to obtain any contribution; or

479 (d) Selling or offering or attempting to sell any
480 advertisement, advertising space, book, card, coupon, chance,
481 device, magazine, membership, merchandise, subscription,
482 sponsorship, flower, admission, ticket, food, or other service
483 or tangible good, item, or thing of value, or any right of any
484 description in connection with which any appeal is made for any
485 charitable organization or sponsor or charitable or sponsor
486 purpose, or when the name of any charitable organization or
487 sponsor is used or referred to in any such appeal as an
488 inducement or reason for making the sale or when, in connection
489 with the sale or offer or attempt to sell, any statement is made
490 that all or part of the proceeds from the sale will be used for
491 any charitable or sponsor purpose or will benefit any charitable
492 organization or sponsor.

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494 A solicitation is considered as having taken place whether or
495 not the person making the solicitation receives any
496 contribution. A solicitation does not occur when a person
497 applies for a grant or an award to the government or to an
498 organization that is exempt from federal income taxation under
499 s. 501(a) of the Internal Revenue Code and described in s.
500 501(c) of the Internal Revenue Code and is duly registered with
501 the department.

502 (25)~~(21)~~ "Sponsor" means a group or person that ~~which~~ is or
503 holds itself out to be soliciting contributions by the use of
504 any name that ~~which~~ implies that the group or person is in any
505 way affiliated with or organized for the benefit of emergency
506 service employees or law enforcement officers and the group or
507 person ~~which~~ is not a charitable organization. The term includes
508 a chapter, branch, or affiliate that ~~which~~ has its principal
509 place of business outside the state, if such chapter, branch, or
510 affiliate solicits or holds itself out to be soliciting
511 contributions in this state.

512 (26)~~(22)~~ "Sponsor purpose" means any program or endeavor
513 performed to benefit emergency service employees or law
514 enforcement officers.

515 (27)~~(23)~~ "Sponsor sales promotion" means an advertising or
516 sales campaign conducted by a commercial co-venturer who
517 represents that the purchase or use of goods or services offered
518 by the commercial co-venturer will be used for a sponsor purpose
519 or donated to a sponsor. The provision of advertising services
520 to a sponsor does not, in itself, constitute a sponsor sales
521 promotion.

522 Section 4. Subsection (1), paragraphs (a) and (g) of

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523 subsection (2), subsection (3), paragraph (b) of subsection (4),
524 and subsections (7) and (8) of section 496.405, Florida
525 Statutes, are amended, and subsections (9) and (10) are added to
526 that section, to read:

527 496.405 Registration statements by charitable organizations
528 and sponsors.—

529 (1)~~(a)~~ A charitable organization or sponsor, unless
530 exempted pursuant to s. 496.406, which intends to solicit
531 contributions in this state by any means or have funds solicited
532 on its behalf by any other person, charitable organization,
533 sponsor, commercial co-venturer, or professional solicitor, or
534 that participates in a charitable sales promotion or sponsor
535 sales promotion, must, before ~~prior to~~ engaging in any of these
536 activities, file an initial registration statement, and a
537 renewal statement annually thereafter, with the department.

538 (a)~~(b)~~ Except as provided in paragraph (b), any changes in
539 the information submitted on the initial registration statement
540 or the last renewal statement must be updated annually on a
541 renewal statement provided by the department on or before the
542 date that marks 1 year after the date the department approved
543 the initial registration statement as provided in this section.
544 The department shall annually provide a renewal statement to
545 each registrant by mail or by electronic mail at least 30 days
546 before the renewal date.

547 (b) Any changes to the information submitted to the
548 department pursuant to paragraph (2) (d) on the initial
549 registration statement or the last renewal statement must be
550 reported to the department on a form prescribed by the
551 department within 10 days after the change occurs.

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552 (c) A charitable organization or sponsor that is required
553 to file an initial registration statement or annual renewal
554 statement may not, before ~~prior to~~ approval of its statement by
555 the department in accordance with subsection (7), solicit
556 contributions or have contributions solicited on its behalf by
557 any other person, charitable organization, sponsor, commercial
558 co-venturer, or professional solicitor, or participate in a
559 charitable sales promotion or sponsor sales promotion.

560 ~~(d) For good cause shown, the department may extend the~~
561 ~~time for the filing of an annual renewal statement or financial~~
562 ~~report for a period not to exceed 60 days, during which time the~~
563 ~~previous registration remains in effect.~~

564 ~~(d)(e) In no event shall~~ The registration of a charitable
565 organization or sponsor may not continue in effect and shall
566 expire without further action of the department:

567 1. After the date the charitable organization or sponsor
568 should have filed, but failed to file, its renewal statement
569 financial report in accordance with this section.

570 2. For failure to provide a financial statement within any
571 extension period provided under and s. 496.407. The organization
572 may not file a renewal statement until it has filed the required
573 financial report with the department.

574 (2) The initial registration statement must be submitted on
575 a form prescribed by the department, signed by an authorized
576 official of the charitable organization or sponsor who shall
577 certify that the registration statement is true and correct, and
578 include the following information or material:

579 (a) A copy of the financial statement ~~report~~ or Internal
580 Revenue Service Form 990 and all attached schedules or Internal

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581 Revenue Service Form 990-EZ and Schedule O required under s.
582 496.407 for the immediately preceding fiscal year. A newly
583 organized charitable organization or sponsor with no financial
584 history must file a budget for the current fiscal year.

585 (g) The following information must be filed with the
586 initial registration statement and must be updated when any
587 change occurs in the information that was previously filed with
588 the initial registration statement:

589 1. The principal street address and telephone number of the
590 charitable organization or sponsor and the street address and
591 telephone numbers of any offices in this state or, if the
592 charitable organization or sponsor does not maintain an office
593 in this state, the name, street address, and telephone number of
594 the person who ~~that~~ has custody of its financial records. The
595 parent organization that files a consolidated registration
596 statement on behalf of its chapters, branches, or affiliates
597 must additionally provide the street addresses and telephone
598 numbers of all such locations in this state.

599 2. The names and street addresses of the officers,
600 directors, trustees, and the principal salaried executive
601 personnel.

602 3. The date when the charitable organization's or sponsor's
603 fiscal year ends.

604 4. A list or description of the major program activities.

605 5. The names, street addresses, and telephone numbers of
606 the individuals or officers who have final responsibility for
607 the custody of the contributions and who will be responsible for
608 the final distribution of the contributions.

609 (3) Each chapter, branch, or affiliate of a parent

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610 organization that is required to register under this section
611 must ~~either~~ file a separate registration statement and financial
612 statement ~~report~~ or ~~must~~ report the required information to its
613 parent organization, which shall then file, on a form prescribed
614 by the department, a consolidated registration statement for the
615 parent organization and its Florida chapters, branches, and
616 affiliates. A consolidated registration statement filed by a
617 parent organization must include or be accompanied by financial
618 statements ~~reports~~ as specified in s. 496.407 for the parent
619 organization and each of its Florida chapters, branches, and
620 affiliates that solicited or received contributions during the
621 preceding fiscal year. However, if all contributions received by
622 chapters, branches, or affiliates are remitted directly into a
623 depository account that ~~which~~ feeds directly into the parent
624 organization's centralized accounting system from which all
625 disbursements are made, the parent organization may submit one
626 consolidated financial statement ~~report~~ on a form prescribed by
627 the department. The consolidated financial statement must
628 reflect the activities of each chapter, branch, or affiliate of
629 the parent organization, including all contributions received in
630 the name of each chapter, branch, or affiliate; all payments
631 made to each chapter, branch, or affiliate; and all
632 administrative fees assessed to each chapter, branch, or
633 affiliate.

634 (4)

635 (b) A charitable organization or sponsor that ~~which~~ fails
636 to file a registration statement by the due date may be assessed
637 an additional fee for such late filing. The late filing fee is
638 ~~shall be~~ \$25 for each month or part of a month after the date on

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639 which the annual renewal statement was and ~~financial report~~ were
640 due to be filed with the department.

641 (7) (a) The department must examine each initial
642 registration statement or annual renewal statement and the
643 supporting documents filed by a charitable organization or
644 sponsor and shall determine whether the registration
645 requirements are satisfied. Within 15 business ~~working~~ days
646 after its receipt of a statement, the department must examine
647 the statement, notify the applicant of any apparent errors or
648 omissions, and request any additional information the department
649 is allowed by law to require. Failure to correct an error or
650 omission or to supply additional information is not grounds for
651 denial of the initial registration or annual renewal statement
652 unless the department has notified the applicant within such
653 period of 15 business days ~~the 15-working-day period~~. The
654 department must approve or deny each statement, or must notify
655 the applicant that the activity for which she or he seeks
656 registration is exempt from the registration requirement, within
657 15 business ~~working~~ days after receipt of the initial
658 registration or annual renewal statement or the requested
659 additional information or correction of errors or omissions. Any
660 statement that is not approved or denied within 15 business
661 ~~working~~ days after receipt of the requested additional
662 information or correction of errors or omissions is approved.
663 Within 7 business ~~working~~ days after receipt of a notification
664 that the registration requirements are not satisfied, the
665 charitable organization or sponsor may request a hearing. The
666 hearing must be held within 7 business ~~working~~ days after
667 receipt of the request, and any recommended order, if one is

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668 issued, must be rendered within 3 business ~~working~~ days of the
669 hearing. The final order must then be issued within 2 business
670 ~~working~~ days after the recommended order. If a recommended order
671 is not issued, the final order must be issued within 5 business
672 ~~working~~ days after the hearing. The proceedings must be
673 conducted in accordance with chapter 120, except that the time
674 limits and provisions set forth in this subsection prevail to
675 the extent of any conflict.

676 (b) If a charitable organization or sponsor discloses
677 information specified in subparagraphs (2) (d)2.-7. in the
678 initial registration statement or annual renewal statement, the
679 time limits of this subsection are waived, and the department
680 shall process such initial registration statement or annual
681 renewal statement in accordance with the time limits in chapter
682 120. The registration of a charitable organization or sponsor
683 shall be automatically suspended for failure to disclose any
684 information specified in subparagraphs (2) (d)2.-7. until such
685 time as the required information is submitted to the department.

686 (8) A ~~No~~ charitable organization or sponsor, or any
687 officer, director, trustee, or employee thereof, may not ~~shall~~
688 knowingly allow any officer, director, trustee, or employee of
689 the charitable organization or sponsor ~~of its officers,~~
690 ~~directors, trustees, or employees~~ to solicit contributions on
691 behalf of such charitable organization or sponsor if such
692 officer, director, trustee, or employee has, in any state,
693 regardless of adjudication, been convicted of, or found guilty
694 of, or pled guilty or nolo contendere to, or has been
695 incarcerated within the last 10 years as a result of having
696 previously been convicted of, or found guilty of, or pled guilty

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697 or nolo contendere to, any felony within the last 10 years or
698 any crime within the last 10 years involving fraud, theft,
699 larceny, embezzlement, fraudulent conversion, misappropriation
700 of property, or any crime arising from the conduct of a
701 solicitation for a charitable organization or sponsor, or has
702 been enjoined, in any state, from violating any law relating to
703 a charitable solicitation. The prohibitions in this subsection
704 also apply to any misdemeanor in another state which constitutes
705 a disqualifying felony in this state.

706 (9) The department may deny or revoke the registration of a
707 charitable organization or sponsor if the charitable
708 organization or sponsor, or any officer, director, or trustee
709 thereof, has had the right to solicit contributions revoked in
710 any state, has entered into an agreement with any state to cease
711 soliciting contributions within that state, or has been ordered
712 by any court or governmental agency to cease soliciting
713 contributions within any state.

714 (10) A charitable organization or sponsor registered under
715 this section which ends solicitation activities or participation
716 in charitable sales promotions in this state shall immediately
717 notify the department in writing of the date such activities
718 ceased.

719 Section 5. Section 496.4055, Florida Statutes, is created
720 to read:

721 496.4055 Charitable organization or sponsor board duties.-

722 (1) As used in this section, the term "conflict of interest
723 transaction" means a transaction between a charitable
724 organization or sponsor and another party in which a director,
725 officer, or trustee of the charitable organization or sponsor

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726 has a direct or indirect interest. The term includes, but is not
727 limited to, the sale, lease, or exchange of property to or from
728 the charitable organization or sponsor; the lending of moneys to
729 or borrowing of moneys from the charitable organization or
730 sponsor; and the payment of compensation for services provided
731 to or from the charitable organization or sponsor.

732 (2) The board of directors, or an authorized committee
733 thereof, of a charitable organization or sponsor required to
734 register with the department under this chapter shall adopt a
735 policy regarding conflict of interest transactions.

736 Section 6. Section 496.407, Florida Statutes, is amended to
737 read:

738 496.407 Financial statement ~~report~~.—

739 (1) A charitable organization or sponsor that is required
740 to initially register or annually renew registration must file
741 an annual financial statement ~~report~~ for the immediately
742 preceding fiscal year on ~~upon~~ a form prescribed by the
743 department.

744 (a) The statement ~~report~~ must include the following:

745 1.~~(a)~~ A balance sheet.

746 2.~~(b)~~ A statement of support, revenue and expenses, and any
747 change in the fund balance.

748 3.~~(c)~~ The names and addresses of the charitable
749 organizations or sponsors, professional fundraising consultant,
750 professional solicitors, and commercial co-venturers used, if
751 any, and the amounts received from each of them, if any.

752 4.~~(d)~~ A statement of functional expenses that must include,
753 but not be limited to, expenses in the following categories:

754 a.~~1.~~ Program service costs.

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755 b.2- Management and general costs.

756 c.3- Fundraising costs.

757 (b) The financial statement must be audited or reviewed as
758 follows:

759 1. For a charitable organization or sponsor that receives
760 less than \$500,000 in annual contributions, a compilation,
761 audit, or review of the financial statement is optional.

762 2. For a charitable organization or sponsor that receives
763 at least \$500,000 but less than \$1 million in annual
764 contributions, the financial statement shall be reviewed or
765 audited by an independent certified public accountant.

766 3. For a charitable organization or sponsor that receives
767 \$1 million or more in annual contributions, the financial
768 statement shall be audited by an independent certified public
769 accountant.

770 (c) Audits and reviews shall be performed in accordance
771 with the following standards:

772 1. Audits shall be performed in accordance with generally
773 accepted auditing standards, including the Statements on
774 Auditing Standards of the American Institute of Certified Public
775 Accountants.

776 2. Reviews shall be performed in accordance with the
777 Statements on Standards for Accounting and Review Services of
778 the American Institute of Certified Public Accountants.

779 (d) Audited and reviewed financial statements must be
780 accompanied by a report signed and prepared by the independent
781 certified public accountant performing such audit or review.

782 (2) In lieu of the financial statement ~~report~~ described in
783 subsection (1), a charitable organization or sponsor that

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784 receives less than \$500,000 in annual contributions may submit a
785 copy of its Internal Revenue Service Form 990 and all attached
786 schedules filed for the preceding fiscal year, or a copy of its
787 Internal Revenue Service Form 990-EZ and Schedule O filed for
788 the preceding fiscal year.

789 (3) Upon a showing of good cause, the department may:

790 (a) Extend the time for the filing of a financial statement
791 required under this section by up to 180 days, during which time
792 the previous registration shall remain active. The registration
793 shall be automatically suspended for failure to file the
794 financial statement within the extension period.

795 (b) Require that an audit or review be conducted for any
796 financial statement submitted by any charitable organization or
797 sponsor. A charitable organization or sponsor may elect to also
798 include a financial report that has been audited by an
799 independent certified public accountant or an audit with opinion
800 by an independent certified public accountant. In the event that
801 a charitable organization or sponsor elects to file an audited
802 financial report, this optional filing must be noted in the
803 department's annual report submitted pursuant to s. 496.423.

804 Section 7. Section 496.4071, Florida Statutes, is created
805 to read:

806 496.4071 Supplemental financial disclosure.-

807 (1) If, for the immediately preceding fiscal year, a
808 charitable organization or sponsor had more than \$1 million in
809 total revenue and spent less than 25 percent of the
810 organization's total annual functional expenses on program
811 service costs, in addition to any financial statement required
812 under s. 496.407, the charitable organization or sponsor shall

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813 file the following supplemental financial information on a form
814 prescribed by the department:

815 (a) The dollar amount and the percentage of total revenue
816 and charitable contributions allocated to funding each of the
817 following administrative functions:

818 1. Total salaries of all persons employed by the charitable
819 organization or sponsor.

820 2. Fundraising.

821 3. Travel expenses.

822 4. Overhead and other expenses related to managing and
823 administering the charitable organization or sponsor.

824 (b) The name of and specific sum earned by or paid to all
825 employees or consultants who earned or were paid more than
826 \$100,000 during the immediately preceding fiscal year.

827 (c) The name of and specific sum paid to all service
828 providers who were paid \$100,000 or more during the immediately
829 preceding fiscal year and a brief description of the services
830 provided.

831 (d) The dollar amount and percentage of total revenue and
832 charitable contributions allocated to programs.

833 (e) The details of any economic or business transactions
834 between the charitable organization or sponsor and an officer,
835 trustee, or director of the charitable organization or sponsor;
836 the immediate family of an officer, trustee, or director of the
837 charitable organization or sponsor; any entity controlled by an
838 officer, trustee, or director of the charitable organization or
839 sponsor; any entity controlled by the immediate family of an
840 officer, trustee, or director of the charitable organization or
841 sponsor; any entity that employed or engaged for consultation an

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842 officer, trustee, or director of the charitable organization or
843 sponsor; and any entity that employed or engaged for
844 consultation the immediate family of an officer, trustee, or
845 director of the charitable organization or sponsor. As used in
846 this paragraph, the term "immediate family" means a parent,
847 spouse, child, sibling, ancestor, descendant, brother-in-law,
848 sister-in-law, son-in-law, daughter-in-law, mother-in-law, or
849 father-in-law.

850 (2) The supplemental financial information required under
851 subsection (1) must be filed with the department by the
852 charitable organization or sponsor within 30 days after
853 receiving a request for such information from the department.

854 Section 8. Section 496.4072, Florida Statutes, is created
855 to read:

856 496.4072 Financial statements for specific disaster relief
857 solicitations.—

858 (1) A charitable organization or sponsor that solicits
859 contributions in this state for a charitable purpose related to
860 a specific disaster or crisis and receives at least \$100,000 in
861 contributions in response to such solicitation shall file
862 quarterly disaster relief financial statements with the
863 department on a form prescribed by the department. The quarterly
864 statements must detail the contributions secured as a result of
865 the solicitation and the manner in which such contributions were
866 expended.

867 (2) The first quarterly statement shall be filed on the
868 last day of the third month following the accrual of at least
869 \$100,000 in contributions after the commencement of
870 solicitations for the specific disaster or crisis. The

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871 charitable organization or sponsor shall continue to file
872 quarterly statements with the department until the quarter after
873 all contributions raised in response to the solicitation are
874 expended.

875 Section 9. Subsections (4), (6), and (9) of section
876 496.409, Florida Statutes, are amended, and subsection (10) is
877 added to that section, to read:

878 496.409 Registration and duties of professional fundraising
879 consultant.—

880 (4) A professional fundraising consultant may enter into a
881 contract or agreement with a charitable organization or sponsor
882 only if the charitable organization or sponsor has complied with
883 all applicable provisions of this chapter. A ~~Every~~ contract or
884 agreement between a professional fundraising consultant and a
885 charitable organization or sponsor must be in writing, signed by
886 two authorized officials of the charitable organization or
887 sponsor, and filed by the professional fundraising consultant
888 with the department at least 5 days before ~~prior to~~ the
889 performance of any material service by the professional
890 fundraising consultant. Solicitation under the contract or
891 agreement may not begin before the filing of the contract or
892 agreement.

893 (6) (a) The department shall examine each registration
894 statement and all supporting documents filed by a professional
895 fundraising consultant and determine whether the registration
896 requirements are satisfied. If the department determines that
897 the registration requirements are not satisfied, the department
898 must notify the professional fundraising consultant within 15
899 business ~~working~~ days after its receipt of the registration

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900 statement; otherwise the registration statement is approved.
901 Within 7 business ~~working~~ days after receipt of a notification
902 that the registration requirements are not satisfied, the
903 applicant may request a hearing. The hearing must be held within
904 7 business ~~working~~ days after receipt of the request, and any
905 recommended order, if one is issued, must be rendered within 3
906 business ~~working~~ days after the hearing. The final order must
907 then be issued within 2 business ~~working~~ days after the
908 recommended order. If there is no recommended order, the final
909 order must be issued within 5 business ~~working~~ days after the
910 hearing. The proceedings must be conducted in accordance with
911 chapter 120, except that the time limits and provisions ~~set~~
912 ~~forth~~ in this subsection prevail to the extent of any conflict.

913 (b) If a professional fundraising consultant discloses
914 information specified in paragraphs (2)(e)-(g) in the initial
915 application for registration or renewal application, the
916 processing time limits of this subsection are waived and the
917 department shall process the initial application for
918 registration or the renewal application in accordance with the
919 time limits in chapter 120. The registration of a professional
920 consultant shall be automatically suspended for failure to
921 disclose any information specified in paragraphs (2)(e)-(g)
922 until such time as the required information is submitted to the
923 department.

924 (9) A ~~No~~ person may not act as a professional fundraising
925 consultant, and a ~~no~~ professional fundraising consultant, or any
926 officer, director, trustee, or employee thereof, may not ~~shall~~
927 knowingly employ any officer, trustee, director, or employee, if
928 such person has, in any state, regardless of adjudication, been

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929 convicted of, or found guilty of, or pled guilty or nolo
930 contendere to, or has been incarcerated within the last 10 years
931 as a result of having previously been convicted of, or found
932 guilty of, or pled guilty or nolo contendere to, any crime
933 within the last 10 years involving fraud, theft, larceny,
934 embezzlement, fraudulent conversion, or misappropriation of
935 property, or any crime arising from the conduct of a
936 solicitation for a charitable organization or sponsor, or has
937 been enjoined in any state from violating any law relating to a
938 charitable solicitation.

939 (10) The department may deny or revoke the registration of
940 a professional fundraising consultant if the professional
941 fundraising consultant, or any of its officers, directors, or
942 trustees, has had the right to solicit contributions revoked in
943 any state, has entered into an agreement with any state to cease
944 soliciting contributions within that state, or has been ordered
945 by any court or governmental agency to cease soliciting
946 contributions within any state.

947 Section 10. Present subsections (3), (5), (7), (14), and
948 (15) of section 496.410, Florida Statutes, are amended,
949 paragraphs (j), (k), and (l) are added to subsection (2) of that
950 section, paragraphs (i) through (n) are added to subsection (6)
951 of that section, and a new subsection (15) is added to that
952 section, to read:

953 496.410 Registration and duties of professional
954 solicitors.—

955 (2) Applications for registration or renewal of
956 registration must be submitted on a form prescribed by rule of
957 the department, signed by an authorized official of the

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958 professional solicitor who shall certify that the report is true
959 and correct, and must include the following information:

960 (j) A list of all telephone numbers the applicant will use
961 to solicit contributions as well as the actual physical address
962 associated with each telephone number and any fictitious names
963 associated with such address.

964 (k) A copy of any script, outline, or presentation used by
965 the applicant to solicit contributions or, if such solicitation
966 aids are not used, written confirmation thereof.

967 (l) A copy of sales information or literature provided to a
968 donor or potential donor by the applicant in connection with a
969 solicitation.

970 (3) The application for registration must be accompanied by
971 a fee of \$300. ~~A professional solicitor that is a partnership or~~
972 ~~corporation may register for and pay a single fee on behalf of~~
973 ~~all of its partners, members, officers, directors, agents, and~~
974 ~~employees. In that case,~~ The names and street addresses of all
975 the officers, employees, and agents of the professional
976 solicitor and all other persons with whom the professional
977 solicitor has contracted to work under its direction, including
978 solicitors, must be listed in the application or furnished to
979 the department within 5 days after the date of employment or
980 contractual arrangement. Each registration is valid for 1 year
981 and. ~~The registration~~ may be renewed for an additional 1-year
982 period upon application to the department and payment of the
983 registration fee.

984 (5) (a) The department must examine each registration
985 statement and supporting documents filed by a professional
986 solicitor. If the department determines that the registration

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987 requirements are not satisfied, the department must notify the
988 professional solicitor within 15 business ~~working~~ days after its
989 receipt of the registration statement; otherwise the
990 registration statement is approved. Within 7 business ~~working~~
991 days after receipt of a notification that the registration
992 requirements are not satisfied, the applicant may request a
993 hearing. The hearing must be held within 7 business ~~working~~ days
994 after receipt of the request, and any recommended order, if one
995 is issued, must be rendered within 3 business ~~working~~ days after
996 the hearing. The final order must then be issued within 2
997 business ~~working~~ days after the recommended order. If there is
998 no recommended order, the final order must be issued within 5
999 business ~~working~~ days after the hearing. The proceedings must be
1000 conducted in accordance with chapter 120, except that the time
1001 limits and provisions ~~set forth~~ in this subsection prevail to
1002 the extent of any conflict.

1003 (b) If a professional solicitor makes a disclosure
1004 specified in paragraphs (2) (f)-(h) in the initial application
1005 for registration or the renewal application, the processing time
1006 limits of this subsection are waived and the department shall
1007 process the initial application for registration or renewal
1008 application in accordance with the time limits in chapter 120.
1009 The registration of a professional solicitor shall be
1010 automatically suspended for failure to disclose any information
1011 specified in paragraphs (2) (f)-(h) until such time as the
1012 required information is submitted to the department.

1013 (6) No less than 15 days before commencing any solicitation
1014 campaign or event, the professional solicitor must file with the
1015 department a solicitation notice on a form prescribed by the

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1016 department. The notice must be signed and sworn to by the
1017 contracting officer of the professional solicitor and must
1018 include:

1019 (i) A statement of the guaranteed minimum percentage of the
1020 gross receipts from contributions which will be remitted to the
1021 charitable organization or sponsor, if any, or, if the
1022 solicitation involves the sale of goods, services, or tickets to
1023 a fundraising event, the percentage of the purchase price which
1024 will be remitted to the charitable organization or sponsor, if
1025 any.

1026 (j) The percentage of a contribution which may be deducted
1027 as a charitable contribution under federal income tax laws.

1028 (k) A statement as to whether any owner, director, officer,
1029 trustee, or employee of the professional solicitor is related as
1030 a parent, spouse, child, sibling, ancestor, descendant, brother-
1031 in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-
1032 law, or father-in-law to:

1033 1. Another officer, director, owner, trustee, or employee
1034 of the professional solicitor.

1035 2. Any officer, director, owner, trustee, or employee of a
1036 charitable organization or sponsor under contract to the
1037 professional solicitor.

1038 3. Any supplier or vendor providing goods or services to a
1039 charitable organization or sponsor under contract to the
1040 professional solicitor.

1041 (l) The beginning and ending dates of the solicitation
1042 campaign.

1043 (m) A copy of any script, outline, or presentation used by
1044 the professional solicitor to solicit contributions for the

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1045 solicitation campaign. If such aids are not used, written
1046 confirmation thereof.

1047 (n) A copy of sales information or literature provided to a
1048 donor or potential donor by the professional solicitor in
1049 connection with the solicitation campaign.

1050 (7) A professional solicitor may enter into a contract or
1051 agreement with a charitable organization or sponsor only if the
1052 charitable organization or sponsor has complied with all
1053 applicable provisions of this chapter. A ~~Each~~ contract or
1054 agreement between a professional solicitor and a charitable
1055 organization or sponsor for each solicitation campaign must be
1056 in writing, signed by two authorized officials of the charitable
1057 organization or sponsor, one of whom must be a member of the
1058 organization's governing body and one of whom must be the
1059 authorized contracting officer for the professional solicitor,
1060 and contain all of the following provisions:

1061 (a) A statement of the charitable or sponsor purpose and
1062 program for which the solicitation campaign is being conducted.

1063 (b) A statement of the respective obligations of the
1064 professional solicitor and the charitable organization or
1065 sponsor.

1066 (c) A statement of the guaranteed minimum percentage of the
1067 gross receipts from contributions which will be remitted to the
1068 charitable organization or sponsor, if any, or, if the
1069 solicitation involves the sale of goods, services, or tickets to
1070 a fundraising event, the percentage of the purchase price which
1071 will be remitted to the charitable organization or sponsor, if
1072 any. Any stated percentage shall exclude any amount which the
1073 charitable organization or sponsor is to pay as fundraising

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1074 costs.

1075 (d) A statement of the percentage of the gross revenue
1076 which the professional solicitor will be compensated. If the
1077 compensation of the professional solicitor is not contingent
1078 upon the number of contributions or the amount of revenue
1079 received, his or her compensation shall be expressed as a
1080 reasonable estimate of the percentage of the gross revenue, and
1081 the contract must clearly disclose the assumptions upon which
1082 the estimate is based. The stated assumptions must be based upon
1083 all of the relevant facts known to the professional solicitor
1084 regarding the solicitation to be conducted by the professional
1085 solicitor.

1086 (e) The effective and termination dates of the contract.

1087 (14) A ~~No~~ person may not act as a professional solicitor,
1088 and a ~~no~~ professional solicitor, or any officer, director,
1089 trustee, or employee thereof, may not ~~shall~~, to solicit for
1090 compensation, knowingly employ any officer, trustee, director,
1091 employee, or any person with a controlling interest therein, who
1092 has, in any state, regardless of adjudication, been convicted
1093 of, or found guilty of, or pled guilty or nolo contendere to, or
1094 has been incarcerated within the last 10 years as a result of
1095 having previously been convicted of, or found guilty of, or pled
1096 guilty or nolo contendere to, a felony within the last 10 years
1097 involving fraud, theft, larceny, embezzlement, fraudulent
1098 conversion, or misappropriation of property, or any crime
1099 arising from the conduct of a solicitation for a charitable
1100 organization or sponsor, or has been enjoined in any state from
1101 violating any law relating to a charitable solicitation. The
1102 prohibitions in this subsection also apply to any misdemeanor in

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1103 another state which constitutes a disqualifying felony in this
1104 state.

1105 (15) The department may deny or revoke the registration of
1106 a professional solicitor if the professional solicitor, or any
1107 of its officers, directors, trustees, or agents, has had the
1108 right to solicit contributions revoked in any state, has entered
1109 into an agreement with any state to cease soliciting
1110 contributions within that state, or has been ordered by any
1111 court or governmental agency to cease soliciting contributions
1112 within any state.

1113 (16)~~(15)~~ All registration fees must be paid to the
1114 department and deposited into the General Inspection Trust Fund.

1115 Section 11. Section 496.4101, Florida Statutes, is created
1116 to read:

1117 496.4101 Licensure of professional solicitors and certain
1118 employees thereof.—

1119 (1) Each officer, director, trustee, or owner of a
1120 professional solicitor and any employee of a professional
1121 solicitor conducting telephonic solicitations must, before
1122 engaging in solicitation activities, obtain a solicitor license
1123 from the department.

1124 (2) Persons required to obtain a solicitor license under
1125 subsection (1) shall submit to the department, in such form as
1126 the department prescribes, an application for a solicitor
1127 license. The application must include the following information:

1128 (a) The true name, date of birth, unique identification
1129 number of a driver license or other valid form of
1130 identification, and home address of the applicant.

1131 (b) If the applicant, in any state, regardless of

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1132 adjudication, has previously been convicted of, or found guilty
1133 of, or pled guilty or nolo contendere to, or has been
1134 incarcerated within the last 10 years as a result of having
1135 previously been convicted of, or found guilty of, or pled guilty
1136 or nolo contendere to, any crime within the last 10 years
1137 involving fraud, theft, larceny, embezzlement, fraudulent
1138 conversion, or misappropriation of property, or any crime
1139 arising from the conduct of a solicitation for a charitable
1140 organization or sponsor, or has been enjoined, in any state,
1141 from violating any law relating to a charitable solicitation.

1142 (c) If the applicant, in any state, is involved in pending
1143 litigation or has had entered against her or him an injunction,
1144 a temporary restraining order, or a final judgment or order,
1145 including a stipulated judgment or order, an assurance of
1146 voluntary compliance, cease and desist, or any similar document,
1147 in any civil or administrative action involving fraud, theft,
1148 larceny, embezzlement, fraudulent conversion, or
1149 misappropriation of property, or has been enjoined from
1150 violating any law relating to a charitable solicitation.

1151 (3) Each applicant shall submit a complete set of his or
1152 her fingerprints with the initial application for a solicitor
1153 license and a fee equal to the federal and state costs for
1154 fingerprint processing.

1155 (a) The applicant's fingerprints must be taken by an
1156 authorized law enforcement officer or fingerprinting service
1157 provider approved by the Department of Law Enforcement.

1158 (b) The department shall forward the complete set of
1159 fingerprints to the Department of Law Enforcement to be
1160 processed for state and federal criminal justice information as

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1161 defined in s. 943.045. The Department of Law Enforcement shall
1162 report the findings of the state and national criminal history
1163 background check to the department within 30 days after the
1164 fingerprints are submitted to the Department of Law Enforcement
1165 for criminal justice information.

1166 (4) A solicitor license must be renewed annually by the
1167 submission of a renewal application. A solicitor license that is
1168 not renewed expires without further action by the department.

1169 (5) Each applicant for a solicitor license shall remit a
1170 license fee of \$100 to the department at the time the initial
1171 application is filed with the department and an annual renewal
1172 fee of \$100 thereafter. All fees collected, less the cost of
1173 administration, shall be deposited into the General Inspection
1174 Trust Fund.

1175 (6) Any material change to the information submitted to the
1176 department in the initial application or renewal application for
1177 a solicitor license shall be reported to the department by the
1178 applicant or licensee within 10 days after the change occurs.
1179 The applicant or licensee shall also submit a fee in the amount
1180 of \$10 for processing the change to the initial or renewal
1181 application.

1182 (7) It is a violation of this chapter:

1183 (a) For an applicant to provide inaccurate or incomplete
1184 information to the department in the initial or renewal
1185 application for a solicitor license.

1186 (b) For any person specified in subsection (1) to fail to
1187 maintain a solicitor license as required by this section.

1188 (c) For a professional solicitor to allow, require, permit,
1189 or authorize an employee without an active solicitor license

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1190 issued under this section to conduct telephonic solicitations.

1191 (8) The department shall adopt rules that allow certain
1192 applicants to engage in solicitation activities on an interim
1193 basis until such time as a solicitor license is granted or
1194 denied.

1195 (9) The department may deny or revoke any solicitor license
1196 if the applicant or licensee has had the right to solicit
1197 contributions revoked in any state, has entered into an
1198 agreement with any state to cease soliciting contributions
1199 within that state, has been ordered by any court or governmental
1200 agency to cease soliciting contributions within any state, or is
1201 subject to any disqualification specified in s. 496.410(14).

1202 Section 12. Subsections (2) and (3) of section 496.411,
1203 Florida Statutes, are amended to read:

1204 496.411 Disclosure requirements and duties of charitable
1205 organizations and sponsors.—

1206 (2) A charitable organization or sponsor soliciting in this
1207 state must include all of the following disclosures at the point
1208 of solicitation:

1209 (a) The name of the charitable organization or sponsor and
1210 state of the principal place of business of the charitable
1211 organization or sponsor;

1212 (b) A description of the purpose or purposes for which the
1213 solicitation is being made;

1214 (c) Upon request, the name and either the address or
1215 telephone number of a representative to whom inquiries could be
1216 addressed;

1217 (d) Upon request, the amount of the contribution which may
1218 be deducted as a charitable contribution under federal income

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1219 tax laws;

1220 (e) Upon request, the source from which a written financial
1221 statement may be obtained. Such financial statement must be for
1222 the immediate preceding ~~past~~ fiscal year and must be consistent
1223 with the annual financial statement ~~report~~ filed under s.
1224 496.407. The written financial statement must be provided within
1225 14 days after the request and must state the purpose for which
1226 funds are raised, the total amount of all contributions raised,
1227 the total costs and expenses incurred in raising contributions,
1228 the total amount of contributions dedicated to the stated
1229 purpose or disbursed for the stated purpose, and whether the
1230 services of another person or organization have been contracted
1231 to conduct solicitation activities.

1232 (3) Every charitable organization or sponsor that ~~which~~ is
1233 required to register under s. 496.405 or is exempt under s.
1234 496.406(2)(d) shall ~~must~~ conspicuously display ~~in capital~~
1235 ~~letters~~ the following statement on every ~~printed~~ solicitation,
1236 ~~written~~ confirmation, receipt, or reminder of a contribution:

1237
1238 "A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL
1239 INFORMATION MAY BE OBTAINED FROM THE DIVISION OF
1240 CONSUMER SERVICES BY CALLING TOLL-FREE WITHIN THE
1241 STATE. REGISTRATION DOES NOT IMPLY ENDORSEMENT,
1242 APPROVAL, OR RECOMMENDATION BY THE STATE."
1243

1244 The statement must include a toll-free number and website for
1245 the division which ~~that~~ can be used to obtain the registration
1246 information. If ~~When~~ the solicitation consists of more than one
1247 piece, the statement must be displayed prominently in the

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1248 solicitation materials. If the solicitation occurs through a
1249 website, the statement must be conspicuously displayed on the
1250 webpage where donations are requested.

1251 Section 13. Subsection (1) of section 496.412, Florida
1252 Statutes, is amended to read:

1253 496.412 Disclosure requirements and duties of professional
1254 solicitors.—

1255 (1) A professional solicitor must comply with and be
1256 responsible for complying or causing compliance with the
1257 following disclosures:

1258 (a) Before ~~Prior to~~ orally requesting a contribution, or
1259 contemporaneously with a written request for a contribution, a
1260 professional solicitor must clearly disclose:

1261 1. The name of the professional solicitor as on file with
1262 the department.

1263 2. If the individual acting on behalf of the professional
1264 solicitor identifies himself or herself by name, the
1265 individual's legal name.

1266 3. The name and state of the principal place of business of
1267 the charitable organization or sponsor and a description of how
1268 the contributions raised by the solicitation will be used for a
1269 charitable or sponsor purpose; or, if there is no charitable
1270 organization or sponsor, a description as to how the
1271 contributions raised by the solicitation will be used for a
1272 charitable or sponsor purpose.

1273 (b) In the case of a solicitation campaign conducted
1274 orally, whether by telephone or otherwise, any written
1275 confirmation, receipt, or reminder sent to any person who has
1276 contributed or has pledged to contribute, shall include a clear

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1277 disclosure of the information required by paragraph (a).

1278 (c) In addition to the information required by paragraph
1279 (a), any written confirmation, receipt, or reminder of
1280 contribution made pursuant to an oral solicitation and any
1281 ~~written~~ solicitation shall conspicuously state ~~in capital~~
1282 ~~letters~~:

1283
1284 "A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL
1285 INFORMATION MAY BE OBTAINED FROM THE DIVISION OF
1286 CONSUMER SERVICES BY CALLING TOLL-FREE WITHIN THE
1287 STATE. REGISTRATION DOES NOT IMPLY ENDORSEMENT,
1288 APPROVAL, OR RECOMMENDATION BY THE STATE."

1289
1290 The statement must include a toll-free number and website for
1291 the division which ~~that~~ can be used to obtain the registration
1292 information. If ~~When~~ the solicitation consists of more than one
1293 piece, the statement must be displayed prominently in the
1294 solicitation materials. If the solicitation occurs on a website,
1295 the statement must be conspicuously displayed on the webpage
1296 where donations are requested.

1297 (d) If requested by the person being solicited, the
1298 professional solicitor shall inform that person in writing,
1299 within 14 days after ~~of~~ the request, of the fixed percentage of
1300 the gross revenue or the reasonable estimate of the percentage
1301 of the gross revenue that the charitable organization or sponsor
1302 will receive as a benefit from the solicitation campaign or
1303 shall immediately notify the person being solicited that the
1304 information is available on the department's website or by
1305 calling the division's toll-free number.

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1306 (e) If requested by the person being solicited, the
1307 professional solicitor shall inform that person in writing,
1308 within 14 days after ~~of~~ the request, of the percentage of the
1309 contribution which may be deducted as a charitable contribution
1310 under federal income tax laws or shall immediately notify the
1311 person being solicited that the information is available on the
1312 department's website or by calling the division's toll-free
1313 number.

1314 Section 14. Section 496.4121, Florida Statutes, is created
1315 to read:

1316 496.4121 Collection receptacles used for donations.-

1317 (1) As used in this section, the term "collection
1318 receptacle" means a receptacle used to collect donated clothing,
1319 household items, or other goods for resale.

1320 (2) A collection receptacle must display a permanent sign
1321 or label on each side which contains the following information
1322 printed in letters that are at least 3 inches in height and no
1323 less than one-half inch in width, in a color that contrasts with
1324 the color of the collection receptacle:

1325 (a) For collection receptacles used by a person required to
1326 register under this chapter, the name, business address,
1327 telephone number, and registration number of the charitable
1328 organization or sponsor for whom the solicitation is made.

1329 (b) For collection receptacles placed or maintained in
1330 public view by a person not required to register under this
1331 chapter, the name, telephone number, and physical address of the
1332 business conducting the solicitation and the statement: "This is
1333 not a charity. Donations made here support a for-profit business
1334 and are not tax deductible."

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1335 (3) Upon request, a charitable organization or sponsor
1336 using a collection receptacle must provide the donor with
1337 documentation of its tax-exempt status and the registration
1338 issued under this chapter.

1339 Section 15. Subsection (2) of section 496.415, Florida
1340 Statutes, is amended, and subsection (18) is added to that
1341 section, to read:

1342 496.415 Prohibited acts.—It is unlawful for any person in
1343 connection with the planning, conduct, or execution of any
1344 solicitation or charitable or sponsor sales promotion to:

1345 (2) ~~Knowingly~~ Submit false, misleading, or inaccurate
1346 information in a document that is filed with the department,
1347 provided to the public, or offered in response to a request or
1348 investigation by the department, the Department of Legal
1349 Affairs, or the state attorney.

1350 (18) Fail to remit to a charitable organization or sponsor
1351 the disclosed guaranteed minimum percentage of gross receipts
1352 from contributions as required under s. 496.410(7)(c) or, if the
1353 solicitation involved the sale of goods, services, or tickets to
1354 a fundraising event, the percentage of the purchase price as
1355 agreed in the contract or agreement as required under this
1356 chapter.

1357 Section 16. Subsection (5) of section 496.419, Florida
1358 Statutes, is amended to read:

1359 496.419 Powers of the department.—

1360 (5) Upon a finding as set forth in subsection (4), the
1361 department may enter an order doing one or more of the
1362 following:

1363 (a) Issuing a notice of noncompliance pursuant to s.

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1364 120.695;

1365 (b) Issuing a cease and desist order that directs that the
1366 person cease and desist specified fundraising activities;1367 (c) Refusing to register or canceling or suspending a
1368 registration;1369 (d) Placing the registrant on probation for a period of
1370 time, subject to such conditions as the department may specify;1371 (e) Canceling an exemption granted under s. 496.406; ~~and~~1372 (f) Except as provided in paragraph (g), imposing an
1373 administrative fine not to exceed \$5,000 ~~\$1,000~~ for each act or
1374 omission that ~~which~~ constitutes a violation of ss. 496.401-
1375 496.424 or s. 496.426 or a rule or order. With respect to a s.
1376 501(c)(3) organization, the penalty imposed pursuant to this
1377 subsection may ~~shall~~ not exceed \$500 per violation for failure
1378 to register under s. 496.405 or file for an exemption under s.
1379 496.406(2). The penalty shall be the entire amount per violation
1380 and is not ~~to be interpreted as~~ a daily penalty; and1381 (g) Imposing an administrative fine not to exceed \$10,000
1382 for a violation of this chapter that involves fraud or
1383 deception.1384 Section 17. Section 496.4191, Florida Statutes, is created
1385 to read:1386 496.4191 Additional penalty; immediate suspension.—Upon
1387 notification and subsequent written verification by a law
1388 enforcement agency, a court, a state attorney, or the Florida
1389 Department of Law Enforcement, the department shall immediately
1390 suspend a registration or the processing of an application for a
1391 registration if the registrant, applicant, or any officer or
1392 director of the registrant or applicant is formally charged with

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1393 a crime involving fraud, theft, larceny, embezzlement, or
1394 fraudulent conversion or misappropriation of property or any
1395 crime arising from the conduct of a solicitation for a
1396 charitable organization or sponsor until final disposition of
1397 the case or removal or resignation of that officer or director.

1398 Section 18. Section 496.430, Florida Statutes, is created
1399 to read:

1400 496.430 Disqualification for certain tax exemptions.-

1401 (1) The department may issue an order to disqualify a
1402 charitable organization or sponsor from receiving any sales tax
1403 exemption if the department finds, based upon the average of
1404 functional expenses and program service costs provided to the
1405 department pursuant to s. 496.407 for the 3 most recent fiscal
1406 years, that the charitable organization or sponsor has failed to
1407 expend at least 25 percent of its total annual functional
1408 expenses on program service costs.

1409 (2) A charitable organization or sponsor may appeal a
1410 disqualification order by requesting a hearing within 21 days
1411 after notification from the department that it has issued a
1412 disqualification order under this section. The hearing must be
1413 conducted in accordance with chapter 120.

1414 (3) Notwithstanding a finding under subsection (1) that a
1415 charitable organization or sponsor has failed to expend at least
1416 25 percent of its total annual functional expenses on program
1417 service costs, the department may decline to issue a
1418 disqualification order if the charitable organization or sponsor
1419 establishes:

1420 (a) That payments were made to affiliates which should be
1421 considered in calculating the program service costs;

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1422 (b) That revenue was accumulated for a specific program
1423 purpose consistent with representations in solicitations; or
1424 (c) Such other mitigating circumstances as are defined by
1425 rule of the department.

1426 (4) A disqualification order issued by the department
1427 pursuant to this section is effective for at least 1 year after
1428 such order becomes final and shall remain effective until such
1429 time as the department receives sufficient evidence from the
1430 disqualified charitable organization or sponsor which
1431 demonstrates it expends at least 25 percent of its total annual
1432 functional expenses on program service costs.

1433 (a) The charitable organization or sponsor may not submit
1434 such evidence to the department sooner than 1 year after the
1435 disqualification order becomes final and may not submit such
1436 information more than once each year for consideration by the
1437 department.

1438 (b) The department shall also consider any financial
1439 statement that was submitted by the charitable organization or
1440 sponsor to the department pursuant to s. 496.407 after the
1441 disqualification order became final.

1442 (5) The department shall provide a disqualification order
1443 to the Department of Revenue within 30 days after such order
1444 becomes final. A final disqualification order is conclusive as
1445 to the charitable organization's or sponsor's entitlement to any
1446 sales tax exemption. The Department of Revenue shall revoke or
1447 refuse to grant a sales tax exemption certificate to a
1448 charitable organization or sponsor subject to a final
1449 disqualification order within 30 days after receiving such
1450 disqualification order. A charitable organization or sponsor may

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1451 not appeal or challenge the revocation or denial of a sales tax
1452 exemption certificate by the Department of Revenue if such
1453 revocation or denial is based upon a final disqualification
1454 order issued pursuant to this section.

1455 (6) This section does not apply to a charitable
1456 organization or sponsor that:

1457 (a) Is not required to register under this chapter with the
1458 department; or

1459 (b) Has been in existence for less than 4 years.

1460 Section 19. Paragraph (a) of subsection (3) of section
1461 741.0305, Florida Statutes, is amended to read:

1462 741.0305 Marriage fee reduction for completion of
1463 premarital preparation course.—

1464 (3)(a) All individuals electing to participate in a
1465 premarital preparation course shall choose from the following
1466 list of qualified instructors:

1467 1. A psychologist licensed under chapter 490.

1468 2. A clinical social worker licensed under chapter 491.

1469 3. A marriage and family therapist licensed under chapter
1470 491.

1471 4. A mental health counselor licensed under chapter 491.

1472 5. An official representative of a religious institution
1473 which is recognized under s. 496.404(23) ~~496.404(19)~~, if the
1474 representative has relevant training.

1475 6. Any other provider designated by a judicial circuit,
1476 including, but not limited to, school counselors who are
1477 certified to offer such courses. Each judicial circuit may
1478 establish a roster of area course providers, including those who
1479 offer the course on a sliding fee scale or for free.

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1480 Section 20. For the 2014-2015 fiscal year, the sum of
1481 \$175,000 in nonrecurring funds is appropriated from the General
1482 Inspection Trust Fund of the Department of Agriculture and
1483 Consumer Services to the Contracted Services appropriation
1484 category for the purpose of implementing this act. Funds
1485 remaining unexpended or unencumbered from this appropriation as
1486 of June 30, 2015, shall revert and be reappropriated for the
1487 same purpose in the 2015-2016 fiscal year.

1488 Section 21. This act shall take effect July 1, 2014.