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LEGISLATIVE ACTION

Senate

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House

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04/29/2014 02:32 PM

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Senator Brandes moved the following:

Senate Amendment (with title amendment)

Delete lines 812 - 996

and insert:

(a) The charitable organization or sponsor may redact information that is not subject to public inspection pursuant to 26 U.S.C. s. 6104(d)(3) from such forms and schedules before submission.

(b) Forms and schedules submitted by a charitable organization or sponsor that receives at least \$500,000 in annual contributions must be prepared by a certified public



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12 accountant or other professionals who normally prepare such
13 forms and schedules in the ordinary course of their business.

14 (3) Upon a showing of good cause by a charitable
15 organization or sponsor, the department may extend the time for
16 the filing of a financial statement required under this section
17 by up to 180 days, during which time the previous registration
18 shall remain active. The registration shall be automatically
19 suspended for failure to file the financial statement within the
20 extension period.

21 (4) The department may require that an audit or review be
22 conducted for any financial statement submitted by any
23 charitable organization or sponsor if the department finds
24 discrepancies in the charitable organization's or sponsor's
25 financial statement, which include, but are not limited to,
26 irregular or inconsistent information. A charitable organization
27 or sponsor may elect to also include a financial report that has
28 been audited by an independent certified public accountant or an
29 audit with opinion by an independent certified public
30 accountant. In the event that a charitable organization or
31 sponsor elects to file an audited financial report, this
32 optional filing must be noted in the department's annual report
33 submitted pursuant to s. 496.423.

34 Section 8. Section 496.4071, Florida Statutes, is created
35 to read:

36 496.4071 Supplemental financial disclosure.-

37 (1) If, for the immediately preceding fiscal year, a
38 charitable organization or sponsor had more than \$1 million in
39 total revenue and spent less than 25 percent of the
40 organization's total annual functional expenses on program



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41 service costs, in addition to any financial statement required
42 under s. 496.407, the charitable organization or sponsor shall
43 file the following supplemental financial information on a form
44 prescribed by the department:

45 (a) The dollar amount and the percentage of total revenue
46 and charitable contributions allocated to funding each of the
47 following administrative functions:

48 1. Total salaries of all persons employed by the charitable
49 organization or sponsor.

50 2. Fundraising, including the names of any professional
51 solicitors, amounts paid to the professional solicitors, and
52 contributions received from a professional solicitor's campaign.

53 3. Travel expenses.

54 4. Overhead and other expenses related to managing and
55 administering the charitable organization or sponsor.

56 (b) The name of and specific sum earned by or paid to all
57 employees or consultants who earned or were paid more than
58 \$100,000 during the immediately preceding fiscal year.

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

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

65 (e) The details of any economic or business transactions
66 between the charitable organization or sponsor and an officer,
67 trustee, or director of the charitable organization or sponsor;
68 the immediate family of an officer, trustee, or director of the
69 charitable organization or sponsor; any entity controlled by an



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70 officer, trustee, or director of the charitable organization or
71 sponsor; any entity controlled by the immediate family of an
72 officer, trustee, or director of the charitable organization or
73 sponsor; any entity that employed or engaged for consultation an
74 officer, trustee, or director of the charitable organization or
75 sponsor; and any entity that employed or engaged for
76 consultation the immediate family of an officer, trustee, or
77 director of the charitable organization or sponsor. As used in
78 this paragraph, the term "immediate family" means a parent,
79 spouse, child, sibling, grandparent, grandchild, brother-in-law,
80 sister-in-law, son-in-law, daughter-in-law, mother-in-law, or
81 father-in-law.

82 (f) Additional clarifying information, if any.

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

87 Section 9. Section 496.4072, Florida Statutes, is created
88 to read:

89 496.4072 Financial statements for specific disaster relief
90 solicitations.—

91 (1) A charitable organization or sponsor that solicits
92 contributions in this state for a charitable purpose related to
93 a specific disaster or crisis and receives at least \$50,000 in
94 contributions in response to such solicitation shall file
95 quarterly disaster relief financial statements with the
96 department on a form prescribed by the department. The quarterly
97 statements must detail the contributions secured as a result of
98 the solicitation and the manner in which such contributions were



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99 expended.

100 (2) The first quarterly statement shall be filed on the
101 last day of the third month following the accrual of at least
102 \$50,000 in contributions after the commencement of solicitations
103 for the specific disaster or crisis. The charitable organization
104 or sponsor shall continue to file quarterly statements with the
105 department until the quarter after all contributions raised in
106 response to the solicitation are expended.

107 (3) The department shall post notice on its website of the
108 specific disasters and crises subject to the additional
109 reporting requirements in this section within 10 days after such
110 disaster or crisis.

111 (4) A charitable organization or sponsor that has been
112 registered with the department for at least 4 consecutive years
113 immediately before soliciting contributions for a charitable
114 purpose related to a specific disaster or crisis is exempt from
115 the reporting requirements of this section.

116 Section 10. Subsections (4), (6), and (9) of section
117 496.409, Florida Statutes, are amended, and subsection (10) is
118 added to that section, to read:

119 496.409 Registration and duties of professional fundraising
120 consultant.—

121 (4) A professional fundraising consultant may enter into a
122 contract or agreement with a charitable organization or sponsor
123 only if the charitable organization or sponsor has complied with
124 all applicable provisions of this chapter. A ~~Every~~ contract or
125 agreement between a professional fundraising consultant and a
126 charitable organization or sponsor must be in writing, signed by
127 two authorized officials of the charitable organization or



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128 sponsor, and filed by the professional fundraising consultant
129 with the department at least 5 days before ~~prior to~~ the
130 performance of any material service by the professional
131 fundraising consultant. Solicitation under the contract or
132 agreement may not begin before the filing of the contract or
133 agreement.

134 (6) (a) The department shall examine each registration
135 statement and all supporting documents filed by a professional
136 fundraising consultant and determine whether the registration
137 requirements are satisfied. If the department determines that
138 the registration requirements are not satisfied, the department
139 must notify the professional fundraising consultant within 15
140 business ~~working~~ days after its receipt of the registration
141 statement; otherwise the registration statement is approved.
142 Within 7 business ~~working~~ days after receipt of a notification
143 that the registration requirements are not satisfied, the
144 applicant may request a hearing. The hearing must be held within
145 7 business ~~working~~ days after receipt of the request, and any
146 recommended order, if one is issued, must be rendered within 3
147 business ~~working~~ days after the hearing. The final order must
148 then be issued within 2 business ~~working~~ days after the
149 recommended order. If there is no recommended order, the final
150 order must be issued within 5 business ~~working~~ days after the
151 hearing. The proceedings must be conducted in accordance with
152 chapter 120, except that the time limits and provisions ~~set~~
153 ~~forth~~ in this subsection prevail to the extent of any conflict.

154 (b) If a professional fundraising consultant discloses
155 information specified in paragraphs (2) (e)-(g) in the initial
156 application for registration or renewal application, the



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157 processing time limits of this subsection are waived and the
158 department shall process the initial application for
159 registration or the renewal application in accordance with the
160 time limits in chapter 120. The registration of a professional
161 consultant shall be automatically suspended for failure to
162 disclose any information specified in paragraphs (2) (e)-(g)
163 until such time as the required information is submitted to the
164 department.

165 (9) A ~~no~~ person may not act as a professional fundraising
166 consultant, and a ~~no~~ professional fundraising consultant, or any
167 officer, director, trustee, or employee thereof, may not ~~shall~~
168 knowingly employ any officer, trustee, director, or employee, if
169 such person has, in any state, regardless of adjudication, been
170 convicted of, or found guilty of, or pled guilty or nolo
171 contendere to, or has been incarcerated within the last 10 years
172 as a result of having previously been convicted of, or found
173 guilty of, or pled guilty or nolo contendere to, any crime
174 within the last 10 years involving fraud, theft, larceny,
175 embezzlement, fraudulent conversion, or misappropriation of
176 property, or any crime arising from the conduct of a
177 solicitation for a charitable organization or sponsor, or has
178 been enjoined in any state from violating any law relating to a
179 charitable solicitation.

180 (10) The department may deny or revoke the registration of
181 a professional fundraising consultant if the professional
182 fundraising consultant, or any of its officers, directors, or
183 trustees, has had the right to solicit contributions revoked in
184 any state or has been ordered by any court or governmental
185 agency to cease soliciting contributions within any state.



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186 Section 11. Paragraph (i) of subsection (2), and
187 subsections (3), (5), (7), (14), and (15) of section 496.410,
188 Florida Statutes, are amended, paragraphs (j), (k), and (l) are
189 added to subsection (2) of that section, paragraphs (i) through
190 (n) are added to subsection (6) of that section, and a new
191 subsection (15) is added to that section, to read:

192 496.410 Registration and duties of professional
193 solicitors.—

194 (2) Applications for registration or renewal of
195 registration must be submitted on a form prescribed by rule of
196 the department, signed by an authorized official of the
197 professional solicitor who shall certify that the report is true
198 and correct, and must include the following information:

199 (i) The names, dates of birth, and identifying numbers on
200 or associated with valid government-issued identification cards
201 of all persons in charge of or engaged in any solicitation
202 activity except those persons required to obtain a solicitor
203 license pursuant to s. 496.4101.

204
205 ===== T I T L E A M E N D M E N T =====

206 And the title is amended as follows:

207 Delete line 64

208 and insert:

209 review of a financial statement; authorizing a
210 charitable organization or sponsor to redact specified
211 information from an alternative financial statement;
212 requiring that an