CHAPTER 222
[Engrossed Senate Bill No. 2429]
CHARITABLE SOLICITATIONS


Be it enacted by the Legislature of the State of Washington:

Section 1. Section 2, chapter 13, Laws of 1973 1st ex. sess. as amended by section 1, chapter 106, Laws of 1974 ex. sess. and RCW 19.09.020 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires:

(1) A "bona fide officer or employee" of a charitable organization is one whose conduct is subject to direct control by such organization and who does not act in the manner of an independent contractor in his relation with the organization.

(2) "Charitable organization" means: (a) Any benevolent, philanthropic, patriotic, eleemosynary, education, social, recreation, fraternal organization, or any other person having or purporting to have a charitable nature; and (b) which solicits or solicits and collects contributions for any charitable purpose. "Charitable" shall have its common law meaning unless the context in which it is used clearly requires a narrower or a broader meaning.

((2)) (3) "Contribution" means the donation, promise or grant, for consideration or otherwise, of any money or property of any kind or value which contribution is wholly or partly induced by a solicitation. Reference to dollar amounts of "contributions" or "solicitations" in this chapter means in the case of payments or promises to pay for merchandise or rights of any description, the value of the total amount paid or promised to be paid for such merchandise or rights less the reasonable purchase price to the charitable organization of any such tangible merchandise, rights, or services resold by the organization, and not merely that portion of the purchase price to be applied to a charitable purpose.

((3)) (4) "Compensation" means salaries, wages, fees, commissions, or any other remuneration or valuable consideration.

((4)) (5) "Cost of solicitation" means and includes all costs, expenditures, debts, obligations, salaries, wages, commissions, fees, or other money or thing of
value paid or incurred in making a solicitation for a direct gift or conducting a sale or benefit affair; cost of solicitation shall not include the reasonable purchase price to the charitable organization of any tangible goods or services resold by the organization as a part of its fund raising activities.

(5) "Director" means the director of the department of motor vehicles.

(6) "Direct gift" shall mean and include an outright contribution of food, clothing, money, credit, property, financial assistance or other thing of value to be used for a charitable or religious purpose and for which the donor receives no consideration or thing of value in return.

(7) "Membership" means that for the payment of fees, dues, assessments, etc., an organization provides services and confers a bona fide right, privilege, professional standing, honor, or other direct benefit, in addition to the right to vote, elect officers, or hold office. The term "membership" shall not include those persons who are granted a membership upon making a contribution as the result of solicitation.

(8) "Parent organization" means that part of a charitable organization which coordinates, supervises, or exercises control over policy, fund raising, or expenditures, or assists or advises one or more chapters, branches, or affiliates of such organization in the state of Washington.

(9) "Person" means an individual, organization, group, association, partnership, corporation, or any combination thereof.

(10) "Professional fund raiser" means any person who, for compensation or other consideration, plans, conducts, manages, or advises concerning any drive or campaign in this state for the purpose of soliciting contributions for or on behalf of any charitable organization or charitable purpose, or who engages in the business of or holds himself out to persons in this state as independently engaged in the business of soliciting contributions for such purposes, or the business of planning, conducting, managing, or carrying on any drive or campaign in this state for such solicitations: PROVIDED, That the following persons shall not be deemed professional fund raisers: (a) Any bona fide officer or employee of a charitable organization which maintains a permanent establishment in the state of Washington; (b) a clergyman of a religious corporation exempt under the provisions of RCW 19.09.030.

(11) "Professional solicitor" means any person other than a professional fund raiser who is employed or retained for compensation by any person or charitable organization to solicit contributions for charitable purposes from persons in this state, but shall not include any bona fide officer or employee of a registered charitable organization.

(12) "Sale and benefit affair" shall mean and include, but not be limited to, athletic or sports event, bazaar, benefit, campaign, circus, contest, dance, drive, entertainment, exhibition, exposition, party, performance, picnic, sale, social gathering, theater, or variety show which the public is requested to patronize or attend or to which the public is requested to make a contribution for any charitable or religious purpose connected therewith: PROVIDED, That bingo activities, raffles, and amusement games conducted pursuant to the provisions of chapter 9.46
RCW and applicable rules of the Washington state gambling commission are specifically excluded and shall not be deemed a solicitation within the provisions of this chapter.

"Solicitation" means any oral or written request for a contribution, including the solicitor's offer or attempt to sell any property, rights, services, or other thing in connection with which:

(a) Any appeal is made for any charitable purpose; or

(b) The name of any charitable organization is used as an inducement for consummating the sale; or

(c) Any statement is made which implies that the whole or any part of the proceeds from the sale will be applied toward any charitable purpose or donated to any charitable organization.

The solicitation shall be deemed completed when made, whether or not the person making it receives any contribution or makes any sale.

Sec. 2. Section 3, chapter 13, Laws of 1973 1st ex. sess. as amended by section 2, chapter 106, Laws of 1974 ex. sess. and RCW 19.09.030 are each amended to read as follows:

Except as otherwise specifically provided in other sections of this chapter, this chapter shall not apply to the following:

(1) Solicitations by religious corporations duly organized and operated in good faith as religious organizations which are entitled to receive a declaration of current tax exempt status from the government of the United States and their duly organized branches or chapters, if the solicitations by such organization are conducted among the members thereof by other members or officers thereof, voluntarily or if the solicitations are in the form of collections or contributions at the regular or special religious assemblies, meetings, or services of any such organization or if the solicitations by such organization are for evangelical, missionary, or religious purposes.

(2) Any charitable organizations when the solicitation of contributions is confined to the membership of the organization and when the solicitation is managed and conducted solely by officers and members of such organizations who are unpaid for such services.

(3) Persons requesting any contributions for the relief of named individuals:

(a) When the solicitation is managed and conducted solely by persons who are unpaid for such services and;

(b) When the contributions collected do not exceed the ten thousand dollars in any twelve month period; and

(c) When all of the contributions collected, without any deductions whatsoever except for the actual cost of a banquet, dance, or similar social gathering, are turned over to the named beneficiary or beneficiaries.

(4) Charitable organizations which do not intend to solicit and receive, and
do not actually raise or receive, contributions from the public in excess of ten thousand dollars during a calendar year, if all their functions, including all fund raising activities, are carried on by persons who are unpaid for their services and if no part of their assets or income inures to the benefit of or is paid to any officer or member.

(5) Charitable organizations which do not intend to solicit and receive, and do not actually raise or receive, contributions from more than ten persons during a calendar year, if all their functions, including all fund raising activities, are carried on by persons who are unpaid for their services and if no part of their assets or income inures to the benefit of or is paid to any officer or member.

(6) Solicitations by government subdivisions which solicit funds for governmental purposes, if such funds are subject to control, examination, or review by governmental agents or agencies.

(7) Solicitations by volunteer hospital organizations affiliated with nonprofit hospitals whose budgets are subject to review by the Washington state hospital commission according to RCW 70.39 when: net proceeds of such solicitations are used solely to improve or maintain tax exempt health care services or facilities of such institutions; the solicitation is carried on solely by persons who are unpaid for their services and no part of the volunteer organizations' assets or income inures to the benefit of, or is paid to any officer or member; and no professional fund raiser or solicitor is employed or retained for compensation in connection with such solicitations.

Sec. 3. Section 7, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.070 are each amended to read as follows:

An application for registration of a charitable organization, as provided by RCW 19.09.060, shall be filed as prescribed by rules and regulations which the director may adopt and shall contain the following documents and information:

(1) The name of the charitable organization and the name under which it intends to solicit contributions;

(2) The addresses of all offices, if any, maintained by the charitable organization in the state of Washington and the names and addresses of its chapters, branches, and affiliates in this state;

(3) The names and addresses of its directors, trustees, and other officers and key personnel. The term "key personnel" means: (a) Any officers, employees, or other personnel who are directly in charge of any of the fund-raising activities of the charitable organization; and (b) the officers or individuals maintaining custody of the organization's financial records and the officers or individuals who will have custody of the contributions;

(4) The location of the organization's financial records in the state of Washington;

(5) Methods by which solicitation will be made, including a statement as to whether such solicitation is to be conducted by voluntary unpaid solicitors, by paid solicitors, or both, and a narrative description of the promotional plan together with copies of all advertising material which has been prepared for public distribution by any means of communication and any location of any telephone solicitation facilities;
(6) The names and addresses of any professional fund raisers and professional solicitors who are acting or who have agreed to act on behalf of the charitable organization together with a statement setting forth the terms of the arrangements for salaries, bonuses, commissions, or other remuneration to be paid the professional fund raisers and professional solicitors;

(7) The general purpose for which the charitable organization is organized;

(8) Where and when the organization was legally established, the form of its organization, and its federal tax exempt status;

(9) The purposes for which the contributions to be solicited will be used, the total amount of funds proposed to be raised thereby, and the use or disposition to be made of any receipts therefrom;

(10) The period of time during which the solicitation will be made and if less than state-wide, the area or areas in which such solicitation will generally take place;

(11) A financial statement of any funds collected for charitable purposes by the applicant for the last preceding fiscal year((. Said statement giving the amount of money so raised together with the cost of solicitations and final distribution of the balance. The financial statement shall be submitted on a uniform reporting form provided by the director)); such statement shall list the amount of money so collected together with the cost of solicitations and the final distribution of the balance;

(12) An irrevocable appointment of the director to receive service of any lawful process in any noncriminal proceeding arising under this chapter against the applicant or his personal representative;

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

(14) Such other information as may be reasonably required, by the director, in the public interest or for the protection of contributors.

If there is any change, while any application is pending, in fact, policy, or method that would alter the information given in the application, the applicant shall notify the director in writing thereof within five days, excluding Saturdays, Sundays and legal holidays after such change.

Sec. 4. Section 8, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.080 are each amended to read as follows:

The registration statement, and any other documents prescribed by the director, shall be signed under oath by the president, or other authorized officer, and the chief fiscal officer of the charitable organization. Such registration shall be effective ((for the period requested by the charitable organization in its registration statement but such period shall not exceed one year. The director may adopt regulations providing for the annual renewal of registrations by charitable organizations having continuing or annually recurring fund raising campaigns. Renewals shall be accompanied by such information as may be required to bring the registration statement up to date)) until withdrawn by the registrant or suspended or revoked by the director. If there are any changes in fact, policy, or method that would alter the information given in the registration statement, the charitable organization shall
notify the director in writing thereof within ten days, excluding Saturdays, Sundays, and legal holidays, after any such change.

Sec. 5. Section 9, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.090 are each amended to read as follows:

Where any chapter, branch, affiliate, or area division of a charitable organization is supervised and controlled by a superior or parent organization which is incorporated, qualified to do business, or doing business within this state such chapter, branch, affiliate, or area division shall not be required to register under RCW 19.09.060 if the superior or parent organization files a registration statement, on behalf of its subsidiary, in addition to or as a part of its own registration statement. Where a registration statement has been filed by a superior or parent organization, on behalf of such subsidiary organization, it shall file any reports required of the subsidiary organization, under this chapter, in addition to or as part of its own report, but the accounting information so required shall be set forth separately and not in consolidated form with respect to every such chapter, branch, affiliate, or division which solicits, collects, or expends more than four thousand dollars in any fiscal year) the superior or parent organization need not include the financial statement information as a part of its financial report for any chapter, branch, or affiliate which solicits and collects less than five hundred dollars during its fiscal year, providing all such fund raising is done by persons who are unpaid for such services. For those chapters, branches, or affiliates which solicit, collect, or expend between five hundred dollars and five thousand dollars during their fiscal year, the superior or parent organization shall report such financial information either separately or in consolidated form. For those chapters, branches, or affiliates which solicit, collect, or expend in excess of five thousand dollars during their fiscal year, the superior or parent organization shall set forth such financial information separately, in addition to including such information in consolidated form.

Sec. 6. Section 10, chapter 13, Laws of 1973 1st ex. sess. as amended by section 3, chapter 106, Laws of 1974 ex. sess. and RCW 19.09.100 are each amended to read as follows:

Upon receipt of an application in the proper form for registration, the director shall immediately initiate an examination to determine that:

(1) (The cost of solicitation for direct gifts shall not exceed twenty percent of the total gross amount to be raised or for sale and benefit affairs shall not exceed fifty-five percent of the total gross amount to be raised; and in this fifty-five percent, not more than twenty percent shall be paid for all wages, fees, commissions, salaries, and emoluments paid or to be paid to all salesmen, solicitors, collectors, and professional fund raisers. If it appears that the cost of soliciting will exceed the percentages listed above, and except for that, the registration would otherwise be granted, the director may enter an order registering the charitable organization; upon a showing that special reasons make a cost higher than twenty percent or said fifty-five percent, or said twenty percent, respectively, reasonable in the particular case. When such an order is entered, the amount, stated as a percentage of the total purchase price, that will be given to the charitable organization or purpose shall be disclosed to each person being solicited at the time of each solicitation by conspicuously setting out such cost upon the item of goods, or upon its package, or by conspicuously setting out such cost upon a sign posted at each location where such
solicitation occurs) The cost of solicitation (including payments to professional fund raisers and professional solicitors and internal fund raising and solicitation salaries and expenses) during the year immediately preceding the date of application has not exceeded, or, for the specified year in which the application is submitted, will not exceed twenty percent of the total moneys, pledges, or other property raised or received or to be raised or received by reason of any solicitation and/or fund raising activities or campaigns. The term "internal fund raising and solicitation salaries and expenses" shall include, but not be limited to, such portions of the charitable organization's salary and overhead expenses as is fairly allocable (on a time or other appropriate basis) to its solicitation and/or fund raising expense. As provided in RCW 19.09.020(5), the cost of solicitation shall not include the reasonable purchase price to the charitable organization of any tangible goods or services resold by the organization as a part of its fund-raising activities. The amount of such expenditure by the organization shall be deducted from the gross amount collected, or from the organization's support received directly from the public, prior to computing the percentage limitation. In the event special facts or circumstances are presented showing that expenses higher than twenty percent were not or will not be unreasonable, the director has the discretion to allow such higher expense and enter an order registering the charitable organization. Such an order shall be reviewed annually by the director. When such an order is entered, the cost of solicitation shall be disclosed by the organization to each person being solicited at the time of each solicitation. To further the purposes of this chapter, the director shall from time to time apprise the public of the names of those organizations for which discretionary action has been exercised in connection with the cost of solicitation limitations;

(2) The charitable organization has complied with all local governmental regulations which apply to soliciting for or on behalf of charitable organizations;

(3) The advertising material and the general promotional plan are not false, misleading, or deceptive (and its rules and regulations, which the director may adopt, comply with the standards prescribed by the director and which afford full and fair disclosure); comply with the standards, rules, and regulations which the director may adopt; and afford full and fair disclosure;

(4) The charitable organization has not, or if a corporation, its officers, directors, and principals have not, been convicted of a crime involving solicitations for or on behalf of a charitable organization in this state, the United States, or any other state or foreign country within the past ten years and has not been subject to any permanent injunction or administrative order or judgment, under the provisions of RCW 19.86.080 or 19.86.090, involving a violation or violations of the provisions of RCW 19.86.020, within the past ten years, or of restraining a false or misleading promotional plan involving solicitations for charitable organizations.

Sec. 7. Section 11, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.110 are each amended to read as follows:

(1) (Upon receipt of the application for registration, in proper form, the director shall issue a notice of filing to the applicant.) Within thirty days from (the date of the notice of filing) the receipt of the application for registration, in proper form, the director shall enter an order registering the charitable organization or rejecting the registration. If no order of rejection is entered within thirty days from
((the date of notice of filing)) the receipt of the application for registration, in proper form, the charitable organization shall be deemed registered unless the applicant has consented, in writing, to a delay.

(2) If the director affirmatively determines, upon inquiry and examination that the requirements of RCW 19.09.100 have been met he shall enter an order registering the charitable organization.

(3) If the director determines, upon inquiry and examination, that any of the requirements of RCW 19.09.100 have not been met, the director shall notify the applicant that the application for registration must be corrected in the deficiencies specified. If the requested corrections are not complied with, the director shall enter an order rejecting the registration, such order shall include the findings of fact upon which the order is based. The order rejecting the registration shall not become effective for twenty days during which time the applicant may petition for reconsideration and shall be entitled to a hearing.

Sec. 8. Section 18, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.180 are each amended to read as follows:

((Every person soliciting contributions for or on behalf of a charitable organization which is required to file or have filed in its behalf a registration statement, under this chapter, shall have readily available for prospective contributors an identification card which shall include the following information in legible form:

(1) The name of the charitable organization for which the contributions are solicited;

(2) A statement that the charitable organization has filed a registration statement with the director and the date such registration was filed;

(3) Such other information, from the registration statement, as may be required by reasonable rule or regulation of the director for the protection of the public;

The director may prescribe the form of such identification card. The card shall be exhibited to any person from whom a contribution is requested or, on demand, to any police or law enforcement officer)) The director shall keep the public informed on charitable activities in the state. To this end, the director shall conduct investigations and audits and issue an annual report on or about July 31st of each year setting forth information related to solicitation activities of registered charitable organizations. The director shall issue periodic reports to the public to carry out the purposes of this chapter.

Sec. 9. Section 19, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.190 are each amended to read as follows:

Every person employed or retained as a professional fund raiser or professional solicitor by or for a charitable organization shall file with the director a valid registration or renewal of such registration. Applications for such registration shall be in writing, under oath, and in the form prescribed by the director. The form shall require information as to the identity and previous related activities of the registrant as may be necessary or appropriate for the public interest or for the protection of contributors. A corporation, partnership, or sole proprietorship which is a professional fund raiser or professional solicitor, may register for and pay a single fee on behalf of all its members, officers, agents, servants, and employees. However, the names and addresses of all officers, agents, servants, and employees of professional fund raisers and professional solicitors must be listed in the application. In
addition, a professional fund raiser shall file, at the time of making application, with and have approved by the director a surety bond executed by the applicant as principal in the amount of five thousand dollars with one or more sureties whose liability in the aggregate as such sureties will at least equal the said sum. The bond shall run to the director for the use of the state and to any person who may have a cause of action against the obligor of said bond for any malfeasance or misfeasance in the conduct of such solicitation. The director or his designee shall examine each application, and if he finds it to be in conformity with the requirements of this chapter and all relevant rules and regulations he shall approve the registration. Any applicant who is denied registration may, within twenty days from the date of notification of such denial, request, in writing, a hearing, which hearing shall be held in accordance with the provisions of the administrative procedure act, chapter 34.04 RCW. Registration, when effected, shall be for a period of one year, or any part thereof, expiring on the last day of December and may be renewed for additional periods unless rejected for legally sufficient cause or for failure to file the bond prescribed in this section. The additional periods shall be for not more than one calendar year or such shorter period as the director may prescribe by regulation.

Sec. 10. Section 21, chapter 13, Laws of 1973 1st ex. sess. as amended by section 1, chapter 219, Laws of 1975 1st ex. sess. and RCW 19.09.210 are each amended to read as follows:

(a) ((Within ninety days)) On or before the fifteenth day of the fifth month following the close of its fiscal year every charitable organization which is required to file a registration statement under RCW 19.09.060 and which has received contributions during the previous fiscal year shall file with the director a financial statement containing, but not limited to, the following information:

1. The gross amount of the contributions pledged and the gross amount collected.

2. The amount thereof, given or to be given to charitable purposes represented together with details as to the manner of distribution as may be required either by general rule or by specific written request of the director.

3. The aggregate amount paid and to be paid for the expenses of such solicitation.

4. The amounts paid to and to be paid to professional fund raisers and solicitors.

5. Copies of any annual or periodic reports furnished by the charitable organization, of its activities during or for the same fiscal period, to its parent organization, subsidiaries, or affiliates, if any.

(b) The director may prescribe such forms as may be necessary or convenient for the furnishing of such information. In addition, the director may require that within thirty days after the close of any special period of solicitation the charitable organization conducting such solicitation shall file a special report containing the information specified in this section for such special period of solicitation.

Sec. 11. Section 22, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.220 are each amended to read as follows:
(1) If it appears to the director, at any time, that any organization has failed to comply with any requirement of RCW 19.09.210 or failed to file any required report, the director following notice, and after an opportunity for a hearing (at a time fixed by the director) within (fifteen) twenty days after such notice, shall issue an order suspending the registration. When such requirement has been fulfilled or the information has been filed in accordance with such order, the director shall so declare and thereupon the order shall cease to be effective.

(2) The director is hereby empowered to make an examination in any case to determine whether an order should issue under subsection (1) of this section. In making such examination the director, or his designee, shall have access to, and may demand the production of any books and papers of, and may administer oaths and affirmations to, and may examine the charitable organization, any agents, or any other person, in respect to any matter relevant to the examination. If the charitable organization or any agents shall fail to cooperate or shall obstruct or refuse to permit the making of an examination such conduct shall be proper grounds for the issuance of an order suspending the registration.

Sec. 12. Section 26, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.260 are each amended to read as follows:

(((t-l-)) The director may:

(((Wa)) Mf Make necessary public or private investigations within or without the state to determine whether any person has violated or is about to violate this chapter or any rule, regulation, or order hereunder, or to aid in the enforcement of this chapter, or in the prescribing of rules and forms hereunder; and

((({-br)) (2 Require or permit any person to file a statement in writing, under oath or otherwise as the director determines, as to all facts and circumstances concerning the matter to be investigated.

(((2) For the purpose of any investigation or proceeding under this chapter, the director or any officer designated by rule may administer oaths or affirmations and upon the director’s own motion or upon request of any party shall subpoena witnesses, compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things together with the identity and location of persons having knowledge, relevant facts, or any other matter reasonably calculated to lead to the discovery of material evidence:"

(3) Upon failure to obey a subpoena or to answer questions propounded by the investigating officer, and upon reasonable notice to all persons affected thereby, the director may apply to the superior court for an order compelling compliance:

(4) Except as otherwise provided in this chapter, all proceedings under this chapter shall be in accordance with the Administrative Procedure Act, chapter 34.04 RCW.))

NEW SECTION. Sec. 13. There is added to chapter 19.09 RCW a new section to read as follows:

For the purpose of any investigation, proceeding, or hearing under this chapter, the director or any officer designated by rule may (1) administer oaths or affirmations and (2) upon the director’s own motion, or upon request of any party to a hearing, shall subpoena witnesses, compel their attendance, require the production
of any matter which is relevant to the investigation, proceeding, or hearing, and take evidence on all relevant matters, including matters reasonably calculated to lead to the discovery of material evidence. Subpoenas issued by the director or his designee shall be served in accordance with the provisions of law governing the service of subpoenas in actions in superior court. If any person refuses to obey a subpoena issued under this section, or refuses to answer any proper question put to him during a hearing or proceeding, the director or his designee may petition the superior court of any county in which such person resides or is found for an order requiring such person to appear and give evidence, or to produce the requested material, or to answer the proposed question. Any failure to obey such order of the court may be punished by the court as a civil contempt may be punished.

Unless another place is named by the director or his designee, all hearings and proceedings shall be located in Olympia, and all subpoenaed physical evidence or exhibits, whether demanded in relation to a hearing, proceeding, or investigation, shall be produced in Olympia.

NEW SECTION. Sec. 14. There is added to chapter 19.09 RCW a new section to read as follows:

Any person who wilfully and knowingly violates any provisions of this act or who shall wilfully and knowingly give false or incorrect information to the director in filing statements or reports required by this 1977 amendatory act, whether or not such statement or report is verified, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be sentenced for the first offense to pay a fine of not less than one hundred dollars and not more than two hundred and fifty dollars or be imprisoned in the county jail for not more than forty-five days, or both; and for the second and any subsequent offense, to pay a fine of not less than two hundred and fifty dollars and not more than five hundred dollars or be imprisoned in the county jail for not more than ninety days, or both.

Sec. 15. Section 28, chapter 13, Laws of 1973 1st ex. sess. and RCW 19.09.280 are each amended to read as follows:

(1) ((A registration may be revoked, following notice and hearing.)) Following notice and hearing in accordance with the administrative procedure act, chapter 34.04 RCW, the director may suspend or revoke any registration made pursuant to this chapter upon a written finding of fact that the charitable organization, professional fund raiser, or professional solicitor has:

(a) Failed to comply with the terms of a cease and desist order;
(b) Been convicted in any court, subsequent to the filing of the application for registration, for a crime involving fraud, deception, false pretense, misrepresentation, false advertising, or dishonest dealing in charity solicitation;
(c) Failed to faithfully perform any stipulation or agreement made with the director as an inducement to grant any registration or to reinstate any registration or to approve any promotional plan or method of solicitation;
(d) Made intentional misrepresentations or concealed material facts in an application for registration;
(e) Violated any provision of this chapter, or any rule or regulation prescribed by the director pursuant to RCW 19.09.310.

Findings of fact, if set forth in statutory language, shall be accompanied by a concise and explicit statement of the underlying facts supporting the findings.
(2) If the director finds, following notice and hearing, that the charitable organization, professional fund raiser or professional solicitor has been guilty of a violation for which revocation could be ordered, he may issue a cease and desist order instead.

(3) If the director finds that the public interest requires emergency action, and incorporates a finding to that effect in a written order, summary suspension of a registration may be ordered pending proceedings for revocation or other action. Such proceedings shall be promptly instituted and determined.

NEW SECTION. Sec. 16. There is added to chapter 19.09 RCW a new section to read as follows:

Except as otherwise provided in this chapter, all proceedings under this chapter shall be in accordance with the administrative procedure act, chapter 34.04 RCW.

Sec. 17. Section 1, chapter 66, Laws of 1973 1st ex. sess. and RCW 19.09.370 are each amended to read as follows:

Nothing in this chapter shall require registration or application for registration by radio and television stations or legal newspapers, or their employees acting within the scope of their employment nor shall any such station, newspaper or employee thereof be considered a professional fund raiser, charitable organization, professional solicitor or trustee: PROVIDED, HOWEVER, The manager or publisher of any such station or newspaper which solicits and actually collects charitable cash contributions exceeding a total value of five hundred dollars for any single charitable purpose during any twelve month period, although exempt from the registration provisions of this chapter, ((shall file a short form report, in the form and manner provided under RCW 19.09.130; as an account of the distribution of such contributions, and thereafter such additional information as the director may require)) shall have available for public inspection a report; the form of the report shall be substantially as follows:

Period of time covered by this report ......................
Gross amount of funds collected for the individual charity, person, or purpose ......................
Amount of funds applied to the individual charity, person, or purpose ........................
Additional amount (if any) to be applied ......................
Amount expended and to be expended for expenses of solicitation (if any) not including the value of the broadcast time or newspaper space devoted to the solicitation ....................... Said report shall be maintained and available for public inspection for a period of not less than three years.

NEW SECTION. Sec. 18. The following acts or parts of acts are each repealed:

(1) Section 12, chapter 13, Laws of 1973 1st ex. sess., section 4, chapter 106, Laws of 1974 ex. sess. and RCW 19.09.120; and
NEW SECTION. Section 1. The state finance committee has heretofore re-funded, pursuant to RCW 28B.50.403 through 28B.50.407, all of the outstanding general tuition fee bonds of the community college board payable from the community college bond retirement fund. By reason of such refunding said tuition fee bonds are no longer deemed to be outstanding and moneys presently on deposit in said bond retirement fund are no longer needed to pay and secure the payment of such refunded tuition fee bonds.

NEW SECTION. Sec. 2. Notwithstanding anything to the contrary contained in RCW 28B.50.360 (1) and (2) and in RCW 28B.50.370, all moneys on deposit on or before June 30, 1977, in the community college bond retirement fund, shall be transferred by the state treasurer to the state general fund, except for those moneys appropriated by section 17, chapter 1, Laws of 1977.

NEW SECTION. Sec. 3. Sections 1 and 2 of this act are added to chapter 28B.50 RCW.

NEW SECTION. Sec. 4. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate April 26, 1977.
Passed the House June 3, 1977.
Approved by the Governor June 14, 1977.
Filed in office of Secretary of State June 14, 1977.