

45:17A-8

LEGISLATIVE HISTORY CHECKLIST

NSSA 45:17A-8 (Professional Fund Raisers--to file financial reports)

Laws of 1977 Chapter 298

Bill No. A2303

Sponsor(s) Herman and others

Date Introduced Nov. 9, 1976

Committee: Assembly Commerce, Banking & Insurance

Senate Labor, Industry & Professions

Amended during passage Yes No

Date of passage: Assembly April 18, 1977

Senate Sept. 29, 1977

Date of approval December 15, 1977

Following statements are attached if available:

Sponsor statement Yes No

Committee Statement: Assembly Yes No

Senate Yes No

Fiscal Note Yes No

Veto message Yes No

Message on signing Yes No

Following were printed:

Reports Yes No

Hearings Yes No

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10/4/76

ASSEMBLY, No. 2303

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 9, 1976

By Assemblymen HERMAN, STEWART, GORMAN, GEWERTZ
and PERSKIE

Referred to Committee on Commerce, Banking and Insurance

AN ACT to amend the "Charitable Fund Raising Act of 1971,"
approved March 2, 1972 (P. L. 1971, c. 469).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 8 of P. L. 1971, c. 469 (C. 45:17A-8) is amended to
2 read as follows:

3 8. a. No person shall act as a professional fund raiser for a
4 charitable organization required to register pursuant to section 4 of
5 this act before he has registered with the Attorney General or after
6 the expiration or cancellation of such registration or any renewal
7 thereof. Applications for registration and reregistration shall be in
8 writing, under oath, in the form prescribed by the Attorney General
9 and shall be accompanied by an annual fee in the sum of \$50.00. The
10 applicant shall at the time of making application, file with, and
11 have approved by, the Attorney General a bond in which the appli-
12 cant shall be the principal obligor, in the sum of \$10,000.00 with one
13 or more sureties whose liability in the aggregate as such sureties
14 will at least equal the said sum. The said bond shall run to the
15 Attorney General for the use of the State and to any person who
16 may have a cause of action against the obligor of said bond for any
17 malfeasance or misfeasance in the conduct of such solicitation.
18 Registration or registration when effected shall be for a period
19 of 1 year, or a part thereof, expiring on June 30, and may be re-
20 newed upon written application, under oath, in the form prescribed
21 by the Attorney General and the filing of the bond and the fee
22 prescribed herein for additional 1 year periods. Applications for
23 registration and reregistration and bonds, when filed with the
24 Attorney General shall become public records in the office of the
25 Attorney General.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

26 b. A professional fund raiser shall maintain accurate and cur-
27 rent books and records of his activities as such while required to be
28 registered under subsection a. of this section; and, until at least
29 3 years shall have elapsed after the end of the effective period of
30 the registration to which they relate, he shall keep such books and
31 records in his office available for inspection and examination by
32 the Attorney General or his duly authorized representatives.

33 c. *A professional fund raiser shall file with the Attorney General*
34 *on forms prescribed by him, within 20 days after the completion*
35 *of a fund raising event for which the professional fund raiser was*
36 *retained, or at such intervals during an extended drive or cam-*
37 *paign as the Attorney General by regulation may prescribe, a*
38 *statement of income and expense, attested by two officers or princi-*
39 *pals of the professional fund raiser organization, covering each*
40 *event or portion of an extended drive or campaign, conducted by*
41 *a professional fund raiser required to be registered under subsec-*
42 *tion a. of this section.*

43 d. *The Attorney General is authorized to cancel the registration*
44 *of any professional fund raiser who fails to comply with any pro-*
45 *vision of this section or who fails to furnish such additional in-*
46 *formation requested by the Attorney General within the time*
47 *prescribed or such reasonable extension thereof granted by the*
48 *Attorney General. Written notice of a cancellation of a registra-*
49 *tion shall be mailed to the registrant at least 15 days before the*
50 *effective date of the cancellation.*

51 [c.] e. Any person who willfully violates the provisions of this
52 section is guilty of a misdemeanor.

1 2. This act shall take effect immediately.

STATEMENT

This amendment is designed to increase the authority of the Attorney General over solicitations for the sale of tickets or advertising donations incident to an event to be held for charitable purposes when such solicitation is conducted by professional fund raisers who, in the present statute are not required to render a financial account of their activities. The Director of the Division of Consumer Affairs endorses this amendment.

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REFERENCE USE ONLY

ASSEMBLY COMMERCE, BANKING AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2303

STATE OF NEW JERSEY

DATED: JANUARY 24, 1977

This legislation amends the "Charitable Fund Raising Act of 1971" to provide that professional fund raisers file with the Attorney General a statement of income and expense for each fund-raising event or portion thereof (in the case of an extended campaign) for which he was retained. Such forms would be required to be filed within 20 days of such event.

The bill also provides that the Attorney General may cancel the registration of any professional fund raiser who fails to comply with the act.

This legislation is to provide greater authority for the Attorney General over professional fund raisers who are not now required to render a financial accounting. This legislation addresses itself particularly to abuses which have existed in the case of fund-raising campaigns of relatively short duration, such as an individual event, in which professional fund raisers are called in to sell tickets and, in the process, retain a substantial part of the proceeds as their fee. In such cases, little of the money raised eventually goes to the charity for which the event was held. The Commerce, Banking, and Insurance Committee hopes that this legislation will result in ending such abuses.