
SUBSTITUTE SENATE BILL 5237

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Law & Justice (originally sponsored by Senators M. Rasmussen, A. Smith, Nelson, Winsley, Haugen, von Reichbauer, Oke, Roach and Spanel; by request of Attorney General and Secretary of State)

Read first time 02/01/93.

1 AN ACT Relating to charitable solicitations; amending RCW
2 19.09.020, 19.09.065, 19.09.075, 19.09.076, 19.09.079, 19.09.085,
3 19.09.097, 19.09.271, 19.09.100, 19.09.190, 19.09.200, 19.09.210,
4 19.09.230, 19.09.240, 19.09.275, 19.09.305, 19.09.315, 43.07.130,
5 11.110.010, 11.110.040, 11.110.050, 11.110.060, 11.110.070, 11.110.075,
6 11.110.080, 11.110.125, and 11.110.130; adding a new section to chapter
7 43.07 RCW; adding new sections to chapter 19.09 RCW; creating new
8 sections; repealing RCW 19.09.078; prescribing penalties; providing an
9 effective date; and declaring an emergency.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

11 **Sec. 1.** RCW 19.09.020 and 1986 c 230 s 2 are each amended to read
12 as follows:

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

14 (1) A "bona fide officer or employee" of a charitable organization
15 is one (a) whose conduct is subject to direct control by such
16 organization; (b) who does not act in the manner of an independent
17 contractor in his or her relation with the organization; and (c) whose
18 compensation is not computed on funds raised or to be raised.

1 (2) "Charitable organization" means any entity that solicits or
2 collects contributions from the general public where the contribution
3 is or is purported to be used to support a charitable activity, but
4 does not include any commercial fund raiser or commercial fund-raising
5 entity as defined in this section. "Charitable" (a) is not limited to
6 its common law meaning unless the context clearly requires a narrower
7 meaning; (b) does not include religious or political activities; and
8 (c) includes, but is not limited to, educational, recreational, social,
9 patriotic, legal defense, benevolent, ~~((or))~~ and health causes.

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

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

23 (5) "Cost of solicitation" means and includes all direct and
24 indirect costs, expenditures, debts, obligations, salaries, wages,
25 commissions, fees, or other money or thing of value paid or incurred in
26 making a solicitation. Cost of solicitation does not include the
27 reasonable purchase price to the charitable organization of any
28 tangible goods or services resold by the organization as a part of its
29 fund raising activities.

30 (6) "Entity" means an individual, organization, group, association,
31 partnership, corporation, agency or unit of state government, or any
32 combination thereof.

33 (7) "General public" or "public" means any individual located in
34 Washington state without a membership or other official relationship
35 with a charitable organization before a solicitation by the charitable
36 organization.

37 (8) "~~((Independent))~~ Commercial fund raiser" or "~~((independent))~~
38 commercial fund-raising entity" means any entity that for compensation
39 or other consideration, plans, conducts, manages, or administers any

1 drive or campaign in this state for the purpose of soliciting
2 contributions for or on behalf of any charitable organization or
3 charitable or religious purpose, or that is engaged in the business of
4 or is held out to persons in this state as independently engaged in the
5 business of soliciting contributions for such purposes, or the business
6 of planning, conducting, managing, or carrying on any drive or campaign
7 in this state for such solicitations. However, a ~~((nonprofit fund
8 raiser or))~~ bona fide officer or other employee of a charitable
9 organization shall not be deemed ~~((an independent))~~ a commercial fund
10 raiser.

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

18 ~~((10))~~ ~~((("Nonprofit fund raiser" means an entity registered as a
19 nonprofit corporation under Title 24 RCW, or any entity exempt from
20 federal income tax under section 501(c) of the Internal Revenue Code,
21 that solicits and receives contributions exceeding five thousand
22 dollars in any accounting year on behalf of a charitable or religious
23 organization other than the nonprofit corporation.~~

24 ~~((11))~~ "Other employee" of a charitable organization means any
25 person (a) whose conduct is subject to direct control by such
26 organization; (b) who does not act in the manner of any independent
27 contractor in his or her relation with the organization; and (c) who is
28 not engaged in the business of or held out to persons in this state as
29 independently engaged in the business of soliciting contributions for
30 charitable or religious purposes.

31 ~~((12))~~ (11) "Parent organization" means that part of a charitable
32 organization that coordinates, supervises, or exercises control over
33 policy, fund raising, or expenditures, or assists or advises one or
34 more chapters, branches, or affiliates of such organization in the
35 state of Washington.

36 ~~((13))~~ (12) "Political activities" means those activities subject
37 to chapter 42.17 RCW or the Federal Elections Campaign Act of 1971, as
38 amended.

1 (~~(14)~~) (13) "Religious activities" means those religious,
2 evangelical, or missionary activities under the direction of a
3 religious organization duly organized and operating in good faith that
4 are entitled to receive a declaration of current tax exempt status for
5 religious purposes from the United States government and the duly
6 organized branches or chapters of those organizations.

7 (~~(15)~~) (14) "Secretary" means the secretary of state.

8 (~~(16)~~) (15) "Solicitation" means any oral or written request for
9 a contribution, including the solicitor's offer or attempt to sell any
10 property, rights, services, or other thing in connection with which:

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

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

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

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

19 Bingo activities, raffles, and amusement games conducted under
20 chapter 9.46 RCW and applicable rules of the Washington state gambling
21 commission are specifically excluded and shall not be deemed a
22 solicitation under this chapter.

23 **Sec. 2.** RCW 19.09.065 and 1986 c 230 s 3 are each amended to read
24 as follows:

25 (1) All charitable organizations(~~(, independent)~~) and commercial
26 fund raisers(~~(, and nonprofit fund raisers, as defined in RCW~~
27 ~~19.09.020,)~~) shall register with the secretary prior to conducting any
28 solicitations.

29 (2) Failure to register as required by this chapter is a violation
30 of this chapter.

31 (3) Information provided to the secretary pursuant to this chapter
32 shall be a public record except as otherwise stated in this chapter.

33 (4) Registration shall not be considered or be represented as an
34 endorsement by the secretary or the state of Washington.

35 **Sec. 3.** RCW 19.09.075 and 1986 c 230 s 4 are each amended to read
36 as follows:

1 An application for registration as a charitable organization shall
2 be submitted in the form prescribed by rule by the secretary,
3 containing, but not limited to, the following:

4 (1) The name, address, and telephone number of the charitable
5 organization;

6 (2) The name(s) under which the organization will solicit
7 contributions;

8 (3) The name, address, and telephone number of the officers of or
9 persons accepting responsibility for the organization;

10 (4) The names of the three officers or employees receiving the
11 greatest amount of compensation from the organization;

12 (5) The purpose of the organization;

13 (6)(a) Whether the organization is exempt from federal income tax;
14 and if so the organization shall attach to its application a copy of
15 the letter by which the internal revenue service granted such status;
16 and

17 ~~((Whether the financial affairs of the organization are audited~~
18 ~~by an independent entity and, if so,)) The name and address of the
19 entity that prepares, reviews, or audits the financial statement of the
20 organization;~~

21 (7) A solicitation report of the organization for the preceding
22 accounting year including:

23 (a) The number and types of solicitations conducted;

24 (b) The total dollar value of support received from solicitations
25 and from all other sources received on behalf of the charitable purpose
26 of the charitable organization;

27 (c) The total amount of money applied to charitable purposes, fund
28 raising costs, and other expenses;

29 (d) The name, address, and telephone number of any ~~((independent))~~
30 commercial fund raiser used by the organization; ~~((and))~~

31 (8) An irrevocable appointment of the secretary to receive service
32 of process in noncriminal proceedings as provided in RCW 19.09.305; and

33 (9) The total revenue of the preceding fiscal year.

34 ~~((The requirements of subsection (7) (b) and (c) of this section~~
35 ~~may be satisfied by the submission of such federal tax forms as may be~~
36 ~~approved by rule of the secretary.))~~

37 The application shall be signed by the president, treasurer, or
38 comparable officer of the organization ~~((and))~~ whose signature shall be
39 notarized. The application shall be submitted with a nonrefundable~~((~~

1 ~~ten-dollar~~) filing fee which shall be in an amount to be established
2 by the secretary by rule. In determining the amount of this
3 application fee, the secretary may consider factors such as the
4 entity's annual budget and its federal income tax status. If the
5 secretary determines that the application is complete, the application
6 shall be filed and the applicant deemed registered.

7 The secretary shall notify the director of veterans' affairs upon
8 receipt of an application for registration as a charitable organization
9 from an entity that purports to raise funds to benefit veterans of the
10 United States military services. The director of veterans' affairs may
11 advise the secretary and the attorney general of any information,
12 reports, or complaints regarding such an organization.

13 **Sec. 4.** RCW 19.09.076 and 1986 c 230 s 5 are each amended to read
14 as follows:

15 The application requirements of RCW 19.09.075 do not apply to the
16 following:

17 (1) Any charitable organization raising less than five thousand
18 dollars in any accounting year when all the activities of the
19 organization, including all fund raising activities, are carried on by
20 persons who are unpaid for their services and no part of the charitable
21 organization's assets or income inures to the benefit of or is paid to
22 any officer or member of the organization;

23 (2) Any charitable organization located outside of the state of
24 Washington if the organization files the following with the secretary:

25 (a) The registration documents required under the charitable
26 solicitation laws of the state in which the charitable organization is
27 located;

28 (b) The registration required under the charitable solicitation
29 laws of the state of California and the state of New York; and

30 (c) Such federal income tax forms as may be required by rule of the
31 secretary.

32 All entities soliciting charitable donations shall comply with the
33 requirements of RCW 19.09.100.

34 **Sec. 5.** RCW 19.09.079 and 1986 c 230 s 7 are each amended to read
35 as follows:

1 An application for registration as (~~an independent~~) a commercial
2 fund raiser shall be submitted in the form prescribed by the secretary,
3 containing, but not limited to, the following:

4 (1) The name, address, and telephone number of the (~~independent~~)
5 commercial fund-raising entity;

6 (2) The name(s), address(es), and telephone number(s) of the
7 owner(s) and principal officer(s) of the (~~independent~~) commercial
8 fund-raising entity;

9 (3) The name, address, and telephone number of the individual
10 responsible for the activities of the (~~independent~~) commercial fund-
11 raising entity in Washington;

12 (4) A list of states and Canadian provinces in which fund raising
13 has been performed;

14 (5) The names of the three officers or employees receiving the
15 greatest amount of compensation from the (~~independent~~) commercial
16 fund-raising entity;

17 (6) (~~Whether the financial affairs of the independent fund raiser~~
18 ~~are audited by an independent entity, and, if so,~~) The name and
19 address of the entity that prepares, reviews, or audits the financial
20 statement of the organization;

21 (7) A solicitation report of the (~~independent~~) commercial fund-
22 raising entity for the preceding accounting year, including:

23 (a) The number and types of fund raising services conducted;

24 (b) The names of charitable organizations required to register
25 under RCW 19.09.065 for whom fund raising services have been performed;

26 (c) The total value of contributions received on behalf of
27 charitable organizations required to register under RCW 19.09.065 by
28 the (~~independent~~) commercial fund raiser, affiliate of the
29 (~~independent~~) commercial fund raiser, or any entity retained by the
30 (~~independent~~) commercial fund raiser; and

31 (d) The amount of money disbursed to charitable organizations for
32 charitable purposes, net of fund raising costs paid by the charitable
33 organization as stipulated in any agreement between charitable
34 organizations and the (~~independent~~) commercial fund raiser;

35 (8) The name, address, and telephone number of any (~~independent~~)
36 commercial fund raiser that was retained in the conduct of providing
37 fund raising services; and

38 (9) An irrevocable appointment of the secretary to receive service
39 of process in noncriminal proceedings as provided in RCW 19.09.305.

1 The application shall be signed by an officer or owner of the
2 (~~independent~~) commercial fund raiser and shall be submitted with a
3 nonrefundable(~~(, fifty dollar filing)~~) fee in an amount to be
4 established by rule of the secretary. If the secretary determines that
5 the application is complete, the application shall be filed and the
6 applicant deemed registered.

7 **Sec. 6.** RCW 19.09.085 and 1986 c 230 s 8 are each amended to read
8 as follows:

9 (1) Registration under this chapter shall be effective for one
10 year(~~(, or the end of the organization's accounting year, whichever~~
11 ~~comes first)~~) or longer, as established by the secretary.

12 (2) Reregistration required under RCW 19.09.075 (~~and 19.09.078~~)
13 or 19.09.079 shall be (~~received by~~) submitted to the secretary no
14 later than the (~~fifteenth day of the fifth month after the~~
15 ~~organization's accounting period ends~~) date established by the
16 secretary by rule.

17 (3) (~~Reregistration required under RCW 19.09.079 shall be received~~
18 ~~by the secretary no later than the fifteenth day of the third month~~
19 ~~after the organization's accounting period ends.~~

20 (~~4~~)) Entities required to register under this chapter shall file
21 a notice of change of information within thirty days of any change in
22 the information contained in RCW 19.09.075 (1) through (6)(~~7~~) or
23 19.09.079 (1) through (6)(~~, or 19.09.078 (1) through (4)~~)).

24 (~~5~~)) (4) The secretary (~~may~~) shall notify entities registered
25 under this chapter of the need to reregister upon the expiration of
26 their current registration. The notification shall be by mail, sent at
27 least sixty days prior to the expiration of their current registration.
28 Failure to register shall not be excused by a failure of the secretary
29 to mail the notice or by an entity's failure to receive the notice.

30 **Sec. 7.** RCW 19.09.097 and 1986 c 230 s 10 are each amended to read
31 as follows:

32 (1) No charitable organization may contract with a commercial fund
33 raiser for any fund raising service or activity unless its contract
34 requires that both parties comply with the law and permits officers of
35 the charity reasonable access to: (a) The fund raisers' financial
36 records relating to that charitable organization; and (b) the fund
37 raisers' operations including without limitation the right to be

1 present during any telephone solicitation. In addition, the contract
2 shall specify the amount of raised funds that the charitable
3 organization will receive or the method of computing that amount, the
4 amount of compensation of the commercial fund raiser or the method of
5 computing that amount, and whether the compensation is fixed or
6 contingent.

7 (2) Before (~~contracting~~) a charitable organization may contract
8 with a commercial fund raiser for any fund raising service or activity,
9 the charitable organization and (~~independent~~) commercial fund raiser
10 shall complete a registration form. The registration shall be filed by
11 the charitable organization with the secretary, in the form prescribed
12 by the secretary, within five working days of the execution of the
13 contract containing, but not limited to the following information:

14 (~~(1)~~) (a) The name and registration number of the (~~independent~~)
15 commercial fund raiser;

16 (~~(2)~~) (b) The name of the surety or sureties issuing the bond
17 required by RCW 19.09.190, the aggregate amount of such bond or bonds,
18 the bond number(s), original effective date(s), and termination
19 date(s);

20 (~~(3)~~) (c) The name and registration number of the charitable
21 organization;

22 (~~(4)~~) (d) The name of the representative of the (~~independent~~)
23 commercial fund raiser who will be responsible for the conduct of the
24 fund raising;

25 (~~(5)~~) (e) The type(s) of service(s) to be provided by the
26 (~~independent~~) commercial fund raiser;

27 (~~(6)~~) (f) The dates such service(s) will begin and end;

28 (~~(7)~~) (g) The terms of the agreement between the charitable
29 organization and (~~independent~~) commercial fund raiser relating to:

30 (~~(a)~~) (i) Amount or percentages of amounts to inure to the
31 charitable organization;

32 (~~(b)~~) (ii) Limitations placed on the maximum amount to be raised
33 by the fund raiser, if the amount to inure to the charitable
34 organization is not stated as a percentage of the amount raised;

35 (~~(c)~~) (iii) Costs of fund raising that will be the responsibility
36 of the charitable organization, regardless of whether paid as a direct
37 expense, deducted from the amounts disbursed, or otherwise; and

38 (~~(d)~~) (iv) The manner in which contributions received directly by
39 the charitable organization, not the result of services provided by the

1 ((independent)) commercial fund raiser, will be identified and used in
2 computing the fee owed to the ((independent)) commercial fund raiser;
3 and

4 ((+8)) (h) The names of any entity to which more than ten percent
5 of the total anticipated fund raising cost is to be paid, and whether
6 any principal officer or owner of the ((independent)) commercial fund
7 raiser or relative by blood or marriage thereof is an owner or officer
8 of any such entity.

9 (3) A correct copy of the contract shall be filed with the
10 secretary before the commencement of any campaign.

11 (4) The registration form shall be submitted with a
12 nonrefundable(~~(, five dollar)~~) filing fee in an amount to be
13 established by rule of the secretary and shall be signed by an owner or
14 principal officer of the ((independent)) commercial fund raiser and the
15 president, treasurer, or comparable officer of the charitable
16 organization.

17 **Sec. 8.** RCW 19.09.271 and 1986 c 230 s 17 are each amended to read
18 as follows:

19 (1) Any charitable organization(~~(, nonprofit fund raiser,)~~) or
20 ((independent)) commercial fund raiser who, after notification by the
21 secretary, fails to properly register under this chapter by the end of
22 the first business day following the issuance of the notice, is liable
23 for a late filing fee (~~(of five dollars per day from the date of the~~
24 ~~notice until the registration is properly completed and filed))~~ in an
25 amount to be established by rule of the secretary. The late filing fee
26 is in addition to any other filing fee provided by this chapter.

27 (2) The secretary shall notify the attorney general of any entity
28 liable for late filing fees under subsection (1) of this section.

29 **Sec. 9.** RCW 19.09.100 and 1986 c 230 s 11 are each amended to read
30 as follows:

31 The following conditions apply to solicitations as defined by RCW
32 19.09.020:

33 (1) (~~Each person or organization soliciting charitable~~
34 ~~contributions shall disclose orally or in writing to each person or~~
35 ~~organization solicited:~~

36 (a) ~~The name of the individual making the solicitation;~~

37 (b) ~~The name of the charitable organization;~~

1 ~~(c) The purpose of the solicitation, and the name of the~~
2 ~~organization that will receive the funds contributed; and~~

3 ~~(d) Whether the charitable organization is or is not properly~~
4 ~~registered under this chapter, and if registered, that information~~
5 ~~relating to its financial affairs is available by contacting the office~~
6 ~~of the secretary of state, giving the secretary's toll-free telephone~~
7 ~~number, if available.~~

8 ~~(2) Each person or organization soliciting charitable contributions~~
9 ~~shall conspicuously disclose in writing to each person or organization~~
10 ~~solicited:~~

11 ~~(a) If the solicitation is conducted by a charitable organization,~~
12 ~~the percentage relationship between (i) the total amount of money~~
13 ~~applied to charitable purposes; and (ii) the dollar value of support~~
14 ~~received from solicitations and from all other sources received on~~
15 ~~behalf of the charitable purpose of the organization, as contained in~~
16 ~~the organization's most recent solicitation report filed in accordance~~
17 ~~with RCW 19.09.075(7);~~

18 ~~(b) If the solicitation is conducted by an independent or nonprofit~~
19 ~~fund raiser, the percentage relationship between (i) the amount of~~
20 ~~money disbursed to charitable organizations for charitable purposes;~~
21 ~~and (ii) the total value of contributions received on behalf of~~
22 ~~charitable organizations by the independent or nonprofit fund raiser,~~
23 ~~as contained in the fund raiser's most recent solicitation report filed~~
24 ~~in accordance with RCW 19.09.079(7) or 19.09.078.~~

25 ~~(3) Each person or organization soliciting charitable contributions~~
26 ~~by telephone shall make the disclosures required by RCW 19.09.100(2)~~
27 ~~(a) or (b) in writing within five days of the receipt of any~~
28 ~~contribution. If the person or organization sends any materials to the~~
29 ~~person or organization solicited before the receipt of any~~
30 ~~contribution, those materials shall include the disclosures required in~~
31 ~~RCW 19.09.100(1)(d), and 19.09.100 (2) (a) or (b), whichever is~~
32 ~~applicable.~~

33 ~~(4))~~ A charitable organization, whether or not required to
34 register pursuant to this chapter, that directly solicits contributions
35 from the public in this state shall make the following clear and
36 conspicuous disclosures at the point of solicitation:

37 (a) The name of the individual making the solicitation;

38 (b) The identity of the charitable organization and the city of the
39 principal place of business of the charitable organization;

1 (c) If requested by the solicitee, the toll-free number for the
2 donor to obtain additional financial disclosure information on file
3 with the secretary.

4 (2) A commercial fund raiser shall clearly and conspicuously
5 disclose at the point of solicitation:

6 (a) The name of the individual making the solicitation;

7 (b) The name of the entity for which the fund raiser is an agent or
8 employee and the name and city of the charitable organization for which
9 the solicitation is being conducted; and

10 (c) If requested by the solicitee, the toll-free number for the
11 donor to obtain additional financial disclosure information on file
12 with the secretary. The disclosure must be made during an oral
13 solicitation of a contribution, and at the same time at which a written
14 request for a contribution is made.

15 (3) A person or organization soliciting charitable contributions by
16 telephone shall make the disclosures required under subsection (1) or
17 (2) of this section in the course of the solicitation but prior to
18 asking for a commitment for a contribution from the solicitee, and in
19 writing to any solicitee that makes a pledge within five days of making
20 the pledge. If the person or organization sends any materials to the
21 person or organization solicited before the receipt of any
22 contribution, those materials shall include the disclosures required in
23 subsection (1) or (2) of this section, whichever is applicable.

24 (4) In the case of a solicitation by advertisement or mass
25 distribution, including posters, leaflets, automatic dialing machines,
26 publication, and audio or video broadcasts, it shall be clearly and
27 conspicuously disclosed in the body of the solicitation material that:

28 (a) The solicitation is conducted by a named commercial fund
29 raiser, if it is;

30 (b) The notice of solicitation required by the charitable
31 solicitation act is on file with the secretary's office; and

32 (c) The potential donor can obtain additional information at a
33 toll-free number.

34 (5) A container or vending machine displaying a solicitation must
35 also display in a clear and conspicuous manner the name of the
36 charitable organization for which funds are solicited, the name,
37 residence address, and telephone number of the individual and any
38 commercial fund raiser responsible for collecting funds placed in the
39 containers or vending machines, and the following statement: "This

1 charity is registered with the secretary's office under the charitable
2 solicitation act, registration number"

3 (6) A commercial fund raiser shall not represent that tickets to
4 any fund raising event will be donated for use by another person unless
5 all the following requirements are met:

6 (a) The commercial fund raiser prior to conducting a solicitation
7 has written commitments from persons stating that they will accept
8 donated tickets and specifying the number of tickets they will accept;

9 (b) The written commitments are kept on file by the commercial fund
10 raiser for three years and are made available to the attorney general
11 on demand;

12 (c) The contributions solicited for donated tickets may not be more
13 than the amount representing the number of ticket commitments received
14 from persons and kept on file under (a) of this subsection; and

15 (d) Not later than seven calendar days prior to the date of the
16 event for which ticket donations are solicited, the commercial fund
17 raiser shall give all donated tickets to the persons who made the
18 written commitments to accept them.

19 (7) Each person or organization soliciting charitable contributions
20 shall not represent orally or in writing that:

21 (a) The charitable contribution is tax deductible unless the
22 charitable organization for which charitable contributions are being
23 solicited or to which tickets for fund raising events or other services
24 or goods will be donated, has applied for and received from the
25 internal revenue service a letter of determination granting tax
26 deductible status to the charitable organization;

27 (b) The person soliciting the charitable contribution is a
28 volunteer or words of similar meaning or effect that create the
29 impression that the person soliciting is not a paid solicitor unless
30 such person is unpaid for his or her services;

31 (c) The person soliciting the charitable contribution is a member,
32 staffer, helper, or employee of the charitable organization or words of
33 similar meaning or effect that create the impression that the person
34 soliciting is not a paid solicitor if the person soliciting is
35 employed, contracted, or paid by ((an independent)) a commercial fund
36 raiser.

37 ((+5)) (8) If the charitable organization is associated with, or
38 has a name that is similar to, any unit of government each person or
39 organization soliciting contributions shall disclose to each person

1 solicited whether the charitable organization is or is not part of any
2 unit of government and the true nature of its relationship to the unit
3 of government.

4 ~~((+6+))~~ (9) No person may, in conducting any solicitation, use the
5 name "police," "sheriff," "fire fighter," "firemen," or a similar name
6 unless properly authorized by a bona fide police, sheriff, or fire
7 fighter organization or police, sheriff, or fire department. A proper
8 authorization shall be in writing and signed by two authorized
9 officials of the organization or department and shall be filed with the
10 secretary.

11 (10) A person may not, in conducting any solicitation, use the name
12 of a federally chartered military veterans' service organization unless
13 authorized in writing by the highest ranking official of that
14 organization in this state.

15 (11) A charitable organization shall comply with all local
16 governmental regulations that apply to soliciting for or on behalf of
17 charitable organizations.

18 ~~((+7+))~~ (12) The advertising material and the general promotional
19 plan for a solicitation shall not be false, misleading, or deceptive,
20 and shall afford full and fair disclosure.

21 ~~((+8+))~~ (13) Solicitations shall not be conducted by a charitable
22 organization or ~~((independent))~~ commercial fund raiser that has, or if
23 a corporation, its officers, directors, or principals have, been
24 convicted of a crime involving solicitations for or on behalf of a
25 charitable organization in this state, the United States, or any other
26 state or foreign country within the past ten years or has been subject
27 to any permanent injunction or administrative order or judgment under
28 RCW 19.86.080 or 19.86.090, involving a violation or violations of RCW
29 19.86.020, within the past ten years, or of restraining a false or
30 misleading promotional plan involving solicitations for charitable
31 organizations.

32 (14) No charitable organization or commercial fund raiser subject
33 to this chapter may use or exploit the fact of registration under this
34 chapter so as to lead the public to believe that registration
35 constitutes an endorsement or approval by the state, but the use of the
36 following is not deemed prohibited: "Registered with the Washington
37 state secretary of state as required by law. Registration number"

38 (15) No entity may engage in any solicitation for contributions for
39 or on behalf of any charitable organization or commercial fund raiser

1 unless the charitable organization or commercial fund raiser is
2 registered with the secretary.

3 (16) No entity may engage in any solicitation for contributions
4 unless it complies with all provisions of this chapter.

5 (17)(a) No entity may place a telephone call for the purpose of
6 charitable solicitation that will be received by the solicitee before
7 eight o'clock a.m. or after nine o'clock p.m.

8 (b) No entity may, while placing a telephone call for the purpose
9 of charitable solicitation, engage in any conduct the natural
10 consequence of which is to harass, intimidate, or torment any person in
11 connection with the telephone call.

12 (18) Failure to comply with subsections (1) through ((+8)) (17) of
13 this section is a violation of this chapter.

14 **Sec. 10.** RCW 19.09.190 and 1986 c 230 s 16 are each amended to
15 read as follows:

16 Every ((independent)) commercial fund raiser who (1) directly or
17 indirectly receives contributions from the public on behalf of any
18 charitable organization; or (2) is compensated based upon funds raised
19 or to be raised, number of solicitations made or to be made, or any
20 other similar method; or (3) incurs or is authorized to incur expenses
21 on behalf of the charitable organization; or (4) has not been
22 registered with the secretary as ((an independent)) a commercial fund
23 raiser for the preceding accounting year shall execute a surety bond as
24 principal with one or more sureties whose liability in the aggregate as
25 such sureties will equal at least fifteen thousand dollars. The
26 secretary may, by rule, provide for the reduction and reinstatement of
27 the bond required by this section.

28 The issuer of the surety bond shall be licensed to do business in
29 this state, and shall promptly notify the secretary when claims or
30 payments are made against the bond or when the bond is canceled. The
31 bond shall be filed with the secretary in the form prescribed by the
32 secretary. The bond shall run to the state and to any person who may
33 have a cause of action against the obligor of said bond for any
34 malfeasance, misfeasance, or deceptive practice in the conduct of such
35 solicitation.

36 **Sec. 11.** RCW 19.09.200 and 1986 c 230 s 12 are each amended to
37 read as follows:

1 (1) Charitable organizations and (~~independent~~) commercial fund
2 raisers shall maintain accurate, current, and readily available books
3 and records at their usual business locations until at least three
4 years have elapsed following the effective period to which they relate.

5 (2) Each commercial fund raiser and charitable organization shall
6 maintain a record of the names of those persons who make a donation or
7 purchase in response to a charitable solicitation, their addresses, and
8 the date the donations were received for one year after a solicitation
9 campaign has been completed. The secretary may, by rule, exempt
10 certain donations or purchases made in response to a charitable
11 solicitation. No donor list, information, or documentation required to
12 be maintained under this subsection that is obtained by the attorney
13 general under this chapter, unless otherwise ordered by a court for
14 good cause shown, may be a public record.

15 (3) All contracts between (~~independent~~) commercial fund raisers
16 and charitable organizations shall be in writing, and true and correct
17 copies of such contracts or records thereof shall be kept on file in
18 the various offices of the charitable organization and the
19 (~~independent~~) commercial fund raiser for a three-year period. Such
20 records and contracts shall be available for inspection and examination
21 by the attorney general or by the county prosecuting attorney. A copy
22 of such contract or record shall be submitted by the charitable
23 organization or (~~independent~~) commercial fund raiser, within ten
24 days, following receipt of a written demand therefor from the attorney
25 general or county prosecutor.

26 **Sec. 12.** RCW 19.09.210 and 1986 c 230 s 13 are each amended to
27 read as follows:

28 Upon the request of the attorney general or the county prosecutor,
29 a charitable organization or commercial fund raiser shall submit a
30 financial statement containing, but not limited to, the following
31 information:

32 (1) The gross amount of the contributions pledged and the gross
33 amount collected.

34 (2) The amount thereof, given or to be given to charitable purposes
35 represented together with details as to the manner of distribution as
36 may be required.

37 (3) The aggregate amount paid and to be paid for the expenses of
38 such solicitation.

1 (4) The amounts paid to and to be paid to ((independent))
2 commercial fund raisers or charitable organizations.

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

7 **Sec. 13.** RCW 19.09.230 and 1986 c 230 s 14 are each amended to
8 read as follows:

9 No charitable organization, ((independent)) commercial fund raiser,
10 or other entity may knowingly use the name, symbol, or emblem of any
11 other ((person)) entity for the purpose of soliciting contributions
12 from persons in this state without the written consent of such other
13 ((person)) entity. Such consent may be deemed to have been given by
14 anyone who is a director, trustee, or other authorized officer,
15 employee, agent, or ((independent)) commercial fund raiser of the
16 charitable organization, and a copy of the written consent must be kept
17 on file by the charitable organization or commercial fund raiser and
18 made available to the attorney general upon demand.

19 A person may be deemed to have used the name of another person for
20 the purpose of soliciting contributions if such latter person's name is
21 listed on any stationery, advertisement, brochure, or correspondence of
22 the charitable organization or person or if such name is listed or
23 represented to any one who has contributed to, sponsored, or endorsed
24 the charitable organization or person, or its or his activities.

25 The secretary may revoke or deny any application for registration
26 that violates this section.

27 **Sec. 14.** RCW 19.09.240 and 1986 c 230 s 15 are each amended to
28 read as follows:

29 No charitable organization, ((independent)) commercial fund raiser,
30 or other person soliciting contributions for or on behalf of a
31 charitable organization may use a name, symbol, emblem, or statement so
32 closely related or similar to that used by another charitable
33 organization or governmental agency that the use thereof would tend to
34 confuse or mislead the public. The secretary may revoke or deny any
35 application for registration that violates this section.

1 **Sec. 15.** RCW 19.09.275 and 1986 c 230 s 18 are each amended to
2 read as follows:

3 Any person who (~~((wilfully and))~~) knowingly violates any provision of
4 this chapter or who (~~((wilfully and))~~) knowingly gives false or incorrect
5 information to the secretary, attorney general, or county prosecuting
6 attorney in filing statements required by this chapter, whether or not
7 such statement or report is verified is guilty of a gross misdemeanor
8 punishable under chapter 9A.20 RCW.

9 Any person who violates any provisions of this chapter or who gives
10 false or incorrect information to the secretary, attorney general, or
11 county prosecuting attorney in filing statements required by this
12 chapter, whether or not such statement or report is verified, is guilty
13 of a misdemeanor punishable under chapter 9A.20 RCW.

14 Any person who knowingly violates RCW 19.09.100(9) or who falsely
15 claims, in the course of a charitable solicitation, to be a law
16 enforcement officer, is guilty of a class C felony punishable under
17 chapter 9A.20 RCW.

18 **Sec. 16.** RCW 19.09.305 and 1983 c 265 s 7 are each amended to read
19 as follows:

20 When a person or an organization registered under this chapter, or
21 its president, treasurer, or comparable officers, cannot be found after
22 reasonably diligent effort, the secretary of state shall be an agent of
23 such person or organization upon whom process may be served. Service
24 on the secretary shall be made by delivering to the secretary or the
25 secretary's designee duplicate copies of such process, and a (~~((twenty-~~
26 ~~five-dollar))~~) filing fee to be established by rule of the secretary.
27 Thereupon, the secretary shall immediately cause one of the copies
28 thereof to be forwarded to the registrant at the most current address
29 shown in the secretary's files. Any service so had on the secretary
30 shall be returnable in not less than thirty days.

31 Any fee under this section shall be taxable as costs in the action.

32 The secretary shall maintain a record of all process served on the
33 secretary under this section, and shall record the date of service and
34 the secretary's action with reference thereto.

35 Nothing in this section limits or affects the right to serve
36 process required or permitted to be served on a registrant in any other
37 manner now or hereafter permitted by law.

1 **Sec. 17.** RCW 19.09.315 and 1983 c 265 s 17 are each amended to
2 read as follows:

3 (1) The secretary may establish, by rule, standard forms and
4 procedures for the efficient administration of this chapter.

5 (2) The secretary may provide by rule for the filing of a financial
6 statement by registered entities.

7 (3) The secretary may issue such publications, reports, or
8 information from the records as may be useful to the solicited public
9 and charitable organizations. To defray the costs of any such
10 publication, the secretary is authorized to charge a reasonable fee to
11 cover the costs of preparing, printing, and distributing such
12 publications.

13 NEW SECTION. **Sec. 18.** The attorney general, in the attorney
14 general's discretion, may:

15 (1) Annually, or more frequently, make such public or private
16 investigations within or without this state as the attorney general
17 deems necessary to determine whether any registration should be
18 granted, denied, revoked, or suspended, or whether any person has
19 violated or is about to violate a provision of this chapter or any rule
20 adopted or order issued under this chapter, or to aid in the
21 enforcement of this chapter or in the prescribing of rules and forms
22 under this chapter; and

23 (2) Publish information concerning a violation of this chapter or
24 a rule adopted or order issued under this chapter.

25 NEW SECTION. **Sec. 19.** For the purpose of any investigation or
26 proceeding under this chapter, the attorney general or any officer
27 designated by the attorney general may administer oaths and
28 affirmations, subpoena witnesses, compel their attendance, take
29 evidence, and require the production of any books, papers,
30 correspondence, memoranda, agreements, or other documents or records
31 which the attorney general deems relevant or material to the inquiry.

32 In case of willful failure on the part of a person to comply with
33 a subpoena lawfully issued by the attorney general or on the refusal of
34 a witness to testify to matters regarding which the witness may be
35 lawfully interrogated, the superior court of a county, on application
36 of the attorney general and after satisfactory evidence of willful
37 disobedience, may compel obedience by proceedings for contempt, as in

1 the case of disobedience of a subpoena issued from the court or a
2 refusal to testify therein.

3 NEW SECTION. **Sec. 20.** If it appears to the attorney general that
4 a person has engaged or is about to engage in an act or practice
5 constituting a violation of a provision of this chapter or a rule
6 adopted or order issued under this chapter, the attorney general may,
7 in the attorney general's discretion, issue an order directing the
8 person to cease and desist from continuing the act or practice.
9 Reasonable notice of and opportunity for a hearing shall be given. The
10 attorney general may issue a temporary order pending the hearing, which
11 shall remain in effect until ten days after the hearing is held and
12 which shall become final if the person to whom the notice is addressed
13 does not request a hearing within fifteen days after the receipt of the
14 notice.

15 NEW SECTION. **Sec. 21.** (1) The attorney general may assess against
16 any person or organization who violates this chapter, or any rule
17 adopted under this chapter, a civil penalty of not more than one
18 thousand dollars for each violation.

19 (2) Such person or organization shall be afforded the opportunity
20 for a hearing, upon request made to the attorney general within thirty
21 days after the date of issuance of the notice of assessment. The
22 hearing shall be conducted in accordance with chapter 34.05 RCW.

23 (3) If any person fails to pay an assessment after it has become a
24 final and unappealable order, or after the court has entered final
25 judgment in favor of the state, the attorney general may recover the
26 amount assessed by action in the appropriate superior court. In such
27 action, the validity and appropriateness of the final order imposing
28 the penalty shall not be subject to review.

29 NEW SECTION. **Sec. 22.** The administrative procedure act, chapter
30 34.05 RCW, shall wherever applicable govern the rights, remedies, and
31 procedures respecting the administration of this chapter.

32 NEW SECTION. **Sec. 23.** The secretary shall provide the attorney
33 general with copies of or direct electronic access to all
34 registrations, reports, or other information filed under this chapter.

1 NEW SECTION. Sec. 24. A new section is added to chapter 43.07 RCW
2 to read as follows:

3 The secretary of state may adopt rules under chapter 34.05 RCW
4 establishing reasonable fees for the following services rendered under
5 chapter 11.110 or 19.09 RCW:

6 (1) Any service rendered in-person at the secretary of state's
7 office;

8 (2) Any expedited service;

9 (3) The electronic transmittal of documents;

10 (4) The providing of information by microfiche or other reduced-
11 format compilation;

12 (5) The handling of checks or drafts for which sufficient funds are
13 not on deposit;

14 (6) The resubmission of documents previously submitted to the
15 secretary of state where the documents have been returned to the
16 submitter to make such documents conform to the requirements of the
17 applicable statute;

18 (7) The handling of telephone requests for information; and

19 (8) Special search charges.

20 **Sec. 25.** RCW 43.07.130 and 1991 c 72 s 54 are each amended to read
21 as follows:

22 There is created within the state treasury a revolving fund, to be
23 known as the "secretary of state's revolving fund(~~(7)~~)." ~~((which shall~~
24 ~~be used by the office of the secretary of state to defray the costs of~~
25 ~~printing, reprinting, or distributing printed matter authorized by law~~
26 ~~to be issued by the office of the secretary of state, and any other~~
27 ~~cost of carrying out the functions of the secretary of state under~~
28 ~~Title 23B RCW, or chapters 18.100, 23.86, 23.90, 24.03, 24.06, 24.12,~~
29 ~~24.20, 24.24, 24.28, 24.36, or 25.10 RCW.~~

30 ~~The secretary of state is hereby authorized to charge a fee for~~
31 ~~such publications in an amount which will compensate for the costs of~~
32 ~~printing, reprinting, and distributing such printed matter.))~~

33 (1) Fees (~~(recovered)~~) received by the secretary of state under RCW
34 43.07.120(2), 23B.01.220(1)(e), (3), and (4), 23B.18.050, 24.03.410,
35 24.06.455, or 46.64.040(~~(, and such other moneys as are expressly~~
36 ~~designated for deposit in the secretary of state's revolving fund))~~
37 shall be (~~(placed)~~) deposited in the secretary of state's revolving

1 fund to be used by the office of the secretary of state for the
2 administration of these statutes and enhancement of related services.

3 (2) Fees received by the secretary of state under chapters 11.110
4 and 19.09 RCW shall be deposited in the secretary of state's revolving
5 fund to be used by the office of the secretary of state to defray the
6 cost of administering these chapters.

7 NEW SECTION. Sec. 26. Except as provided otherwise, all powers,
8 duties, and functions of the attorney general pertaining to charitable
9 trust registration except for those powers and duties remaining with
10 the attorney general pursuant to this act are transferred to the
11 secretary of state. All references to the attorney general in the
12 Revised Code of Washington shall be construed to mean the secretary of
13 state when referring to the functions transferred in this section.

14 NEW SECTION. Sec. 27. All reports, documents, surveys, books,
15 records, files, papers, or written material in the possession of the
16 attorney general pertaining to the powers, functions, and duties
17 transferred shall be delivered to the custody of the secretary of
18 state. All cabinets, furniture, office equipment, motor vehicles, and
19 other tangible property employed by the attorney general in carrying
20 out the powers, functions, and duties transferred shall be made
21 available to the secretary of state. All funds, credits, or other
22 assets held in connection with the powers, functions, and duties
23 transferred shall be assigned to the secretary of state.

24 Any appropriations made to the attorney general for carrying out
25 the powers, functions, and duties transferred shall, on the effective
26 date of this section, be transferred and credited to the secretary of
27 state.

28 Whenever any question arises as to the transfer of any personnel,
29 funds, books, documents, records, papers, files, equipment, or other
30 tangible property used or held in the exercise of the powers and the
31 performance of the duties and functions transferred, the director of
32 financial management shall make a determination as to the proper
33 allocation and certify the same to the state agencies concerned.

34 NEW SECTION. Sec. 28. All employees of the attorney general
35 engaged in performing the powers, functions, and duties transferred are
36 transferred to the jurisdiction of the secretary of state. All

1 employees classified under chapter 41.06 RCW, the state civil service
2 law, are assigned to the secretary of state to perform their usual
3 duties upon the same terms as formerly, without any loss of rights,
4 subject to any action that may be appropriate thereafter in accordance
5 with the laws and rules governing state civil service.

6 NEW SECTION. **Sec. 29.** All rules and all pending business before
7 the attorney general pertaining to the powers, functions, and duties
8 transferred shall be continued and acted upon by the secretary of
9 state. All existing contracts and obligations shall remain in full
10 force and shall be performed by the secretary of state.

11 NEW SECTION. **Sec. 30.** The transfer of the powers, duties,
12 functions, and personnel of the attorney general shall not affect the
13 validity of any act performed prior to the effective date of this
14 section.

15 NEW SECTION. **Sec. 31.** If apportionments of budgeted funds are
16 required because of the transfers directed by sections 27 through 30 of
17 this act, the director of financial management shall certify the
18 apportionments to the agencies affected, the state auditor, and the
19 state treasurer. Each of these shall make the appropriate transfer and
20 adjustments in funds and appropriation accounts and equipment records
21 in accordance with the certification.

22 NEW SECTION. **Sec. 32.** Nothing contained in sections 26 through 31
23 of this act may be construed to alter any existing collective
24 bargaining unit or the provisions of any existing collective bargaining
25 agreement until the agreement has expired or until the bargaining unit
26 has been modified by action of the personnel board as provided by law.

27 **Sec. 33.** RCW 11.110.010 and 1985 c 30 s 113 are each amended to
28 read as follows:

29 The purpose of this chapter is to facilitate public supervision
30 over the administration of public charitable trusts and similar
31 relationships and to clarify and implement the powers and duties of the
32 attorney general and the secretary of state with relation thereto.

1 **Sec. 34.** RCW 11.110.040 and 1985 c 30 s 115 are each amended to
2 read as follows:

3 All information, documents, and reports filed with the (~~attorney~~
4 ~~general~~) secretary of state under this chapter are matters of public
5 record and shall be open to public inspection, subject to reasonable
6 regulation: PROVIDED, That the (~~attorney general~~) secretary of state
7 shall withhold from public inspection any trust instrument so filed
8 whose content is not exclusively for charitable purposes. The
9 (~~attorney general~~) secretary of state may publish, on a periodic or
10 other basis, such information as may be necessary or appropriate in the
11 public interest concerning the registration, reports, and information
12 filed with (~~him~~) the secretary of state or any other matters relevant
13 to the administration and enforcement of this chapter.

14 **Sec. 35.** RCW 11.110.050 and 1985 c 30 s 116 are each amended to
15 read as follows:

16 The (~~attorney general~~) secretary of state shall establish and
17 maintain a register of trustees as defined in RCW 11.110.020 and, to
18 that end, shall conduct whatever investigation is necessary, and shall
19 obtain from public records, court officers, taxing authorities,
20 trustees, and other sources whatever information, copies of
21 instruments, reports, and records are needed, for the establishment and
22 maintenance of the register.

23 **Sec. 36.** RCW 11.110.060 and 1985 c 30 s 117 are each amended to
24 read as follows:

25 Every trustee shall file with the (~~attorney general~~) secretary of
26 state within two months after receiving possession or control of the
27 trust corpus a copy of the instrument establishing his or her title,
28 powers, or duties, and an inventory of the assets of such charitable
29 trust. In addition, trustees exempted from the provisions of RCW
30 11.110.070 by RCW 11.110.073 shall file with the (~~attorney general~~)
31 secretary of state a copy of the declaration of the tax-exempt status
32 or other basis of the claim for such exemption; a copy of the
33 instrument establishing the trustee's title, powers or duties; an
34 inventory of the assets of such trust; and, annually, a copy of each
35 publicly available United States tax or information return or report of
36 the trust which the trustee files with the internal revenue service.
37 The trustees of charitable trusts existing at the time this chapter

1 takes effect or on August 9, 1971, shall comply with this section
2 within six months thereafter.

3 **Sec. 37.** RCW 11.110.070 and 1985 c 30 s 118 are each amended to
4 read as follows:

5 Except as otherwise provided every trustee subject to this chapter
6 shall file with the (~~attorney general~~) secretary of state annual
7 reports, under oath, setting forth information as to the nature of the
8 assets held for charitable purposes and the administration thereof by
9 the trustee, in accordance with rules (~~and regulations~~) of the
10 (~~attorney general~~) secretary of state.

11 The (~~attorney general~~) secretary of state shall make rules (~~and~~
12 ~~regulations~~) as to the time for filing reports, the contents thereof,
13 and the manner of executing and filing them. ((He)) The secretary of
14 state may classify trusts and other relationships concerning property
15 held for a charitable purpose as to purpose, nature of assets, duration
16 of the trust or other relationship, amount of assets, amounts to be
17 devoted to charitable purposes, nature of trustee, or otherwise, and
18 may establish different rules for the different classes as to time and
19 nature of the reports required, to the ends (1) that ((he)) the
20 secretary of state shall receive reasonably current, periodic reports
21 as to all charitable trusts or other relationships of a similar nature
22 which will enable ((him)) the secretary of state to ascertain whether
23 they are being properly administered, and (2) that periodic reports
24 shall not unreasonably add to the expense of the administration of
25 charitable trusts and similar relationships. The (~~attorney general~~)
26 secretary of state may suspend the filing of reports as to a particular
27 charitable trust or relationship for a reasonable, specifically
28 designated time upon written application of the trustee filed with the
29 (~~attorney general~~) secretary of state after the (~~attorney general~~)
30 secretary of state has filed in the register of charitable trusts a
31 written statement that the interests of the beneficiaries will not be
32 prejudiced thereby and that periodic reports are not required for
33 proper supervision by ((his)) the secretary of state's office.

34 A copy of an account filed by the trustee in any court having
35 jurisdiction of the trust or other relationship, if the account
36 substantially complies with the rules (~~and regulations~~) of the
37 (~~attorney general~~) secretary of state, may be filed as a report
38 required by this section.

1 The first report for a trust or similar relationship hereafter
2 established, unless the filing thereof is suspended as herein provided,
3 shall be filed not later than one year after any part of the income or
4 principal is authorized or required to be applied to a charitable
5 purpose. If any part of the income or principal of a trust previously
6 established is authorized or required to be applied to a charitable
7 purpose at the time this act takes effect, the first report, unless the
8 filing thereof is suspended, shall be filed within six months after
9 July 30, 1967.

10 **Sec. 38.** RCW 11.110.075 and 1985 c 30 s 120 are each amended to
11 read as follows:

12 A trust is not exclusively for charitable purposes, within the
13 meaning of RCW 11.110.040, when the instrument creating it contains a
14 trust for several or mixed purposes, and any one or more of such
15 purposes is not charitable within the meaning of RCW 11.110.020, as
16 enacted or hereafter amended. Such instrument shall be withheld from
17 public inspection by the (~~attorney general~~) secretary of state and no
18 information as to such noncharitable purpose shall be made public. The
19 attorney general shall have free access to such information.

20 Annual reporting of such trusts to the (~~attorney general~~)
21 secretary of state, as required by RCW 11.110.060 or 11.110.070, shall
22 commence within one year after trust income or principal is authorized
23 or required to be used for a charitable purpose.

24 When a trust consists of a vested charitable remainder preceded by
25 a life estate, a copy of the instrument shall be filed by the trustee
26 or by the life tenant, within two months after commencement of the life
27 estate.

28 If the trust instrument contains only contingent gifts or
29 remainders to charitable purposes, no charitable trust shall be deemed
30 created until a charitable gift or remainder is legally vested. The
31 first registration or report of such trust shall be filed within two
32 months after trust income or principal is authorized or required to be
33 used for a charitable purpose.

34 **Sec. 39.** RCW 11.110.080 and 1985 c 30 s 121 are each amended to
35 read as follows:

36 The custodian of the records of a court having jurisdiction of
37 probate matters or of charitable trusts shall furnish within two months

1 after receiving possession or control thereof such copies of papers,
2 records, and files of ((his)) the custodian's office relating to the
3 subject of this chapter as the ((attorney general)) secretary of state
4 shall require.

5 Every officer, agency, board or commission of this state receiving
6 applications for exemption from taxation of any charitable trust or
7 similar relationship in which the trustee is subject to this chapter
8 shall annually file with the ((attorney general)) secretary of state a
9 list of all applications received during the year.

10 **Sec. 40.** RCW 11.110.125 and 1985 c 30 s 126 are each amended to
11 read as follows:

12 The willful refusal by a trustee to make or file any report or to
13 perform any other duties expressly required by this chapter, or to
14 comply with any valid rule ((or regulation promulgated)) adopted by the
15 ((attorney general)) secretary of state under this chapter, shall
16 constitute a breach of trust and a violation of this chapter.

17 **Sec. 41.** RCW 11.110.130 and 1985 c 30 s 127 are each amended to
18 read as follows:

19 A civil action for a violation of this chapter may be prosecuted by
20 the attorney general or by a prosecuting attorney ((designated by the
21 attorney general)).

22 NEW SECTION. **Sec. 42.** RCW 19.09.078 and 1986 c 230 s 6 are each
23 repealed.

24 NEW SECTION. **Sec. 43.** Sections 18 through 23 of this act are each
25 added to chapter 19.09 RCW.

26 NEW SECTION. **Sec. 44.** If any provision of this act or its
27 application to any person or circumstance is held invalid, the
28 remainder of the act or the application of the provision to other
29 persons or circumstances is not affected.

30 NEW SECTION. **Sec. 45.** This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take
2 effect July 1, 1993.

--- END ---