

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 119 (Chairman, Judicial Proceedings Committee)
(Departmental - Secretary of State)

Judicial Proceedings

Referred to Economic Matters

Charitable Solicitation

This amended departmental bill allows the Office of the Secretary of State to make computerized information pertaining to charities available to the public on disk for the purpose of furthering the Charitable Giving Information Program. It also expands the conditions under which a charitable organization is exempt from registration with the office, and changes the registration requirements for professional solicitors. Additionally, the bill clarifies the responsibilities of the Secretary of State with regard to the regulation of charitable solicitation, specifies conditions under which certain entities are liable for violation of the Maryland Charitable Solicitations Acts, and indicates settlement agreements that can be reached with alleged violators of the Act. Finally, the bill changes the definition of “charitable contribution” to include corporation and foundation grants.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues resulting from increased charitable organization registration fees. Offsetting revenue and expenditure increases relating to the provision of computerized information.

Local Effect: None.

Small Business Effect: The Secretary of State has determined that this bill has no impact on small business (attached). Fiscal Services concurs with this assessment.

Fiscal Analysis

State Effect: Because the bill changes the definition of “charitable contribution” to include corporation and foundation grants, there could be an increase in charitable organization registration fees, which range from \$50 to \$200 based on the amount of charitable contributions the organization raises. Under current law, charitable organizations can request that grants from corporations and/or foundations not be included in the total amount of charitable contributions. Therefore, to the extent that the contributions received from corporations and/or foundations qualify an organization for a higher registration fee, revenues could be enhanced. Any such increase is expected to be minimal.

Additionally, although the bill allows a fee, not to exceed the actual cost of purchasing and preparing computer disks, to be charged for use of computerized data, the revenues generated from the fee would be offset by the costs for providing the information (e.g., to purchase computer disks).

Information Source(s): Secretary of State, American Small Business Association, Department of Fiscal Services

Fiscal Note History: First Reader - January 15, 1996
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