

BY: Economic Matters Committee

SUBSTITUTE AMENDMENTS TO HOUSE BILL NO. 955

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Professional” and substitute “Fire Organization”; strike beginning with “altering” in line 3 down through “solicitors” in line 6 and substitute “making certain registration and bond requirements under the Maryland Charitable Solicitations Act applicable to certain persons who solicit or receive contributions for ambulance, fire fighting, or rescue organizations; defining a certain term; altering a certain definition; and generally relating to fund-raising for ambulance, fire fighting, and rescue organizations”; in line 9, strike “6-101(i)” and substitute “6-101(b), 6-301(a), 6-302(a) and (b)(2), 6-303, and 6-601”; and after line 11, insert:

“BY adding to

Article - Business Regulation
Section 6-101(j)
Annotated Code of Maryland
(1992 Volume and 1997 Supplement)”.

AMENDMENT NO. 2

On page 1, after line 15, insert:

“(b) “Associate solicitor” means a person who, for pay[,],:

(1) solicits or receives charitable contributions for a professional solicitor; OR

(2) SOLICITS OR RECEIVES CONTRIBUTIONS FOR A FIRE ORGANIZATION SOLICITOR.

(J) “FIRE ORGANIZATION SOLICITOR” MEANS A PERSON WHO, FOR PAY, SOLICITS OR RECEIVES CONTRIBUTIONS FOR AN AMBULANCE, FIRE FIGHTING, OR

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RESCUE ORGANIZATION, PERSONALLY OR THROUGH AN ASSOCIATE SOLICITOR.”.

On pages 1 and 2, strike in their entirety the lines beginning with line 16 on page 1 through line 7 on page 2, inclusive, and substitute:

“6-301.

(a) A person must have applied to register appropriately with the Secretary of State whenever the person acts as:

(1) an associate solicitor;

(2) a professional solicitor; [or]

(3) A FIRE ORGANIZATION SOLICITOR; OR

[(3)] (4) a fund-raising counsel.

6-302.

(a) An applicant for registration as a professional solicitor, FIRE ORGANIZATION SOLICITOR, or fund-raising counsel shall:

(1) submit to the Secretary of State an application under oath on the form that the Secretary of State provides;

(2) consent in writing to the jurisdiction and venue of the Circuit Court for Anne Arundel County in actions brought under this title;

(3) pay to the Secretary of State an application fee of:

(i) \$200 for registration as a fund-raising counsel; or

(ii) \$300 for registration as a professional solicitor OR FIRE ORGANIZATION SOLICITOR; and

(4) (i) certify that all taxes due from the applicant to the State or to Baltimore City or a county of the State during the preceding fiscal year have been paid, and all taxes the applicant was

required to collect and pay over to the State or to Baltimore City or a county of the State during the preceding fiscal year have been collected and paid over; or

(ii) certify that the taxes due from the applicant to the State or to Baltimore City or a county are under dispute and the dispute has not been finally resolved.

(b) (2) An applicant for registration as a professional solicitor OR FIRE ORGANIZATION SOLICITOR may register and pay a single application fee of \$300 to cover all of the applicant's officers, agents, members, associate solicitors, and employees who work in fund-raising, if the applicant:

(i) lists in the application the name of each current officer, agent, member, associate solicitor, and employee who works in fund-raising; and

(ii) submits to the Secretary of State the name of each person within 10 days after the person starts employment.

6-303.

(a) (1) Except as provided in subsection (c) of this section, on applying for registration as a professional solicitor OR FIRE ORGANIZATION SOLICITOR, an applicant shall execute and submit to the Secretary of State a bond in the sum of \$25,000, with surety that the Secretary of State approves.

(2) The bond shall run to the State for the use of the State and each person who may have a cause of action against the applicant for loss resulting from malfeasance, nonfeasance, or misfeasance in the applicant's charitable solicitation OR FUND-RAISING.

(3) The applicant shall keep the bond in force as long as the registration is in effect.

(b) An applicant for registration as a professional solicitor OR FIRE ORGANIZATION SOLICITOR shall submit a consolidated bond for all of the officers, agents, members, associate solicitors, subcontractors, and employees of the professional solicitor OR FIRE ORGANIZATION

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SOLICITOR.

(c) An applicant for registration as a professional solicitor OR FIRE ORGANIZATION SOLICITOR that submits a \$25,000 irrevocable letter of credit to the Secretary of State is not required to submit a surety bond under subsection (a) of this section.

(d) The Secretary of State may return a bond or irrevocable letter of credit filed under this section only if:

(1) 3 years have passed since the registration period to which the bond or letter applies, and there is no pending claim against the bond or letter; or

(2) the registration period to which the bond or letter applies is over, all required accounting reports have been properly completed and filed, and it appears to the satisfaction of the Secretary of State that the person is not in violation of the Maryland Charitable Solicitations Act.

(e) The Secretary of State shall include with an application for registration as a professional solicitor OR FIRE ORGANIZATION SOLICITOR a notice that a person may apply for return of a bond or irrevocable letter of credit after the registration period to which the bond or letter applies.

6-601.

(a) A person may not act as an associate solicitor, professional solicitor, FIRE ORGANIZATION SOLICITOR, or fund-raising counsel unless the person has applied to register appropriately with the Secretary of State.

(b) An associate solicitor may not solicit money from the public for a professional solicitor OR FIRE ORGANIZATION SOLICITOR unless the professional solicitor OR FIRE ORGANIZATION SOLICITOR has applied to register with the Secretary of State and can show evidence of the application.”.