

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 49
SENATE BILL 1077

AN ACT

AMENDING SECTION 44-6561, ARIZONA REVISED STATUTES; RELATING TO
SOLICITATION OF FUNDS FOR CHARITABLE PURPOSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 44-6561, Arizona Revised Statutes, is amended to
3 read:

4 44-6561. Unlawful acts or practices; violation;
5 classification; civil penalty

6 A. The following acts and practices are unlawful as applied to the
7 planning, conduct or execution of a solicitation and constitute unlawful
8 practices under section 44-1522 that the attorney general may investigate
9 and for which the attorney general may take appropriate action as
10 prescribed by chapter 10, article 7 of this title:

11 1. Knowingly using an emblem, device or printed matter belonging to
12 or associated with a charitable organization without first being
13 authorized in writing to do so by the charitable organization.

14 2. Knowingly using a name, symbol or statement so closely related
15 or similar to that used by another charitable organization for the purpose
16 of misleading a solicited person.

17 3. Knowingly making a misrepresentation to a person that the person
18 on whose behalf a solicitation is being conducted is a charitable
19 organization.

20 4. Knowingly making a representation to a person that another
21 person sponsors, endorses or approves the solicitation if the other person
22 has not given consent in writing to the use of that person's name for
23 these purposes.

24 5. Knowingly failing to post in a clear and conspicuous manner at a
25 location in which a charitable organization or other business entity
26 receives donated items for the purpose of reselling the items to
27 financially benefit a charitable organization one of the following
28 statements:

29 (a) This collection site is owned by [name of charity], a
30 charitable organization. Donated items received at this location will
31 support the charitable mission of [name of charity].

32 (b) This collection site is owned by [name of company], a
33 for-profit company. Donated items received at this location will be sold
34 by [name of company] with a portion of the proceeds benefiting [name of
35 charity].

36 6. KNOWINGLY MAKING A MISREPRESENTATION TO A PERSON THAT A DONATION
37 IS ANY OF THE FOLLOWING:

38 (a) TAX DEDUCTIBLE.

39 (b) GOING TO A NONPROFIT CORPORATION.

40 (c) ENABLING THE PERSON TO RECEIVE A TAX CREDIT.

41 B. A contracted fund raiser who knowingly conducts any act or
42 practice proscribed in subsection A of this section is guilty of a class 6
43 felony.

1 C. An independent solicitor who knowingly conducts any act or
2 practice proscribed in subsection A of this section is guilty of a class 1
3 misdemeanor.

4 D. In addition to the criminal offenses provided in subsections B
5 and C of this section, if a person conducts an act or practice proscribed
6 in subsection A of this section, the attorney general may recover from the
7 person on behalf of the state a civil penalty of not more than one
8 thousand dollars per violation. The civil penalty prescribed by this
9 subsection is in lieu of the penalty prescribed by section 44-1531.

10 E. For the purposes of subsection A, paragraph 5 of this section,
11 an entity owns a collection site if the entity receives at least fifty-one
12 ~~per cent~~ PERCENT of the proceeds generated by the retail sale of the
13 donated items received at the collection site.

APPROVED BY THE GOVERNOR MARCH 23, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 23, 2018.