

Introduced: 3/14/73  
Referred: Commerce

1 IN THE SENATE

BY GROH

2 SENATE BILL NO. 210

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of charitable  
7 organizations and the solicitation of contributions  
8 for charitable purposes."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 10 is amended by adding a new chapter to read:

11 CHAPTER 50. CHARITABLE ORGANIZATIONS

12 AND SOLICITATION OF CONTRIBUTIONS.

13 Sec. 10.50.010. LEGISLATIVE FINDINGS; PURPOSE. The legislature  
14 finds and declares that charities perform valuable social services at  
15 a cost saving to the state, responsibilities that otherwise would have  
16 to be assumed by state government. Therefore, in the interest of  
17 protecting the public welfare, the state should ensure that money and  
18 other property collected in fund-raising campaigns are used solely for  
19 the charitable purposes promised during that campaign, to preclude  
20 the diversion of funds from necessary philanthropies for personal use  
21 or gain, and to make certain that full information concerning charities,  
22 their purposes, management and method of solicitation is made available  
23 to protect the public from the unscrupulous so that worthwhile chari-  
24 table organizations will thrive while those unworthy of public support  
25 will be exposed.

26 ARTICLE 1. CHARITABLE ORGANIZATIONS.

27 Sec. 10.50.020. REGISTRATION OF CHARITABLE ORGANIZATIONS. (a)  
28 A charitable organization, except those exempted by sec. 30 of this  
29 chapter, which intends to solicit contributions from persons in the

1 state or from a governmental agency shall, before solicitation, file  
2 with the department on forms prescribed by it the following informa-  
3 tion:

4 (1) the name of the organization and the name or names under  
5 which it intends to solicit contributions;

6 (2) the names and addresses of the officers, directors,  
7 trustees, and executive personnel of the organization;

8 (3) the addresses of the organization and the addresses of  
9 offices in this state; if the organization does not maintain an office,  
10 the name and address of the person having custody of its financial  
11 records;

12 (4) where and when the organization was legally established,  
13 the form of its organization and its tax exempt status;

14 (5) the purposes for which the organization is organized  
15 and the purposes for which the contributions to be solicited will be  
16 used;

17 (6) the date on which the fiscal year of the organization  
18 ends;

19 (7) whether the organization is authorized by a governmental  
20 agency to solicit contributions and whether it is or has been enjoined  
21 by a court from soliciting contributions;

22 (8) the names and addresses of professional fund raisers who  
23 are acting or have agreed to act on behalf of the organization;

24 (9) the remuneration, if any, paid officers, directors,  
25 trustees and executive personnel of the organization, and the remunera-  
26 tion paid professional fund raisers and solicitors and the method of  
27 payment.

28 (b) The registration form shall be signed by the president or  
29 other authorized officer and the chief fiscal officer of the

1 organization.

2 (c) For filing the registration, the department shall receive a  
3 fee of \$25, to be paid at the time of registration.

4 (d) The registration remains in effect for a period of two years  
5 from the date the registration is approved and a certificate of regis-  
6 tration is issued by the department unless it is either cancelled as  
7 provided in this chapter or withdrawn by the organization.

8 (e) A registered organization shall notify the department within  
9 10 days of a change in the information required to be furnished by the  
10 organization under (a)(1) - (9) of this section.

11 (f) No registration of a charitable organization may continue, or  
12 be continued, in effect after the date the organization should have  
13 filed, but failed to file, an annual report in accordance with the re-  
14 quirements of sec. 40 of this chapter, and the organization may not file  
15 a new registration until it has filed the required annual report with  
16 the department. If the report is subsequently filed, the organization  
17 may file a new registration upon the payment of a fee of \$25 to the  
18 department.

19 (g) Registration statements, financial reports, professional fund  
20 raisers' contracts, and other documents required to be filed under this  
21 chapter are public records in the department's office.

22 (h) The department may require by regulation that the officers  
23 or management of a charitable organization submit a business history or  
24 statement of financial condition of the organization.

25 (i) The department may require by regulation or order that a  
26 charitable organization furnish additional information and, in accordance  
27 with AS 10.20.655 - 10.20.660, may propound those interrogatories rea-  
28 sonably necessary and proper to enable the department to ascertain  
29 whether the charitable organization has complied with the provisions of

1 this chapter.

2 Sec. 10.50.030. EXEMPTIONS. The following persons are not re-  
3 quired to register with the department:

4 (1) an educational institution the curriculums of which in  
5 whole or in part are registered or approved by the Department of Educa-  
6 tion either directly or by acceptance of accreditation by an accrediting  
7 body recognized by the Department of Education, an educational institu-  
8 tion confining its solicitation of contributions to its student body,  
9 alumni, faculty and trustees, and their families, or a library regis-  
10 tered by the Department of Education if the annual financial report of  
11 the institution or library is filed with the Department of Education  
12 where it shall be open for public inspection;

13 (2) religious corporations, organizations or charities,  
14 agencies, or organizations operated, supervised or controlled by, or in  
15 connection with, a religious corporation or organization, fraternal,  
16 patriotic, social, alumni or veterans organizations and historical  
17 societies when solicitation of contributions is confined to their mem-  
18 bership;

19 (3) persons requesting a contribution for the relief of an  
20 individual, specified by name at the time of the solicitation, if all  
21 of the contributions collected, without deductions, are turned over to  
22 the named beneficiary;

23 (4) a charitable organization which does not intend to  
24 solicit and receive and does not actually receive contributions in  
25 excess of \$1,000 during a fiscal year of the organization if all of  
26 its fund-raising functions are carried on by persons who are unpaid  
27 for these services; however, if the gross contributions received by a  
28 charitable organization during a fiscal year of the organization exceed  
29 \$1,000, it shall within 30 days after the date it has received total

1 contributions in excess of \$1,000 register with the department as  
2 required by sec. 20 of this chapter;

3 (5) a charitable organization receiving an allocation from  
4 an incorporated community chest or united fund if (A) the chest or  
5 fund is complying with the provisions of this chapter relating to  
6 registration and filing of annual reports with the department; and  
7 (B) the fund-raising functions of the organization are carried on by  
8 persons who are unpaid for these services; however, if the gross contri-  
9 butions other than the allocation received by the charitable organization  
10 during a fiscal year of the organization exceed \$1,000, it shall within  
11 30 days after the date it has received the contributions in excess of  
12 \$1,000 register with the department as required by sec. 20 of this  
13 chapter.

14 Sec. 10.50.040. ANNUAL REPORTS. (a) A charitable organization  
15 registered under sec. 20 of this chapter that receives in a fiscal year  
16 of the organization contributions in excess of \$2,500 and a charitable  
17 organization whose fund-raising functions are not carried on solely by  
18 persons who are unpaid for these services shall file a written report  
19 with the department on forms prescribed by it, within six months after  
20 the close of the fiscal year. The report shall include a financial  
21 statement covering the fiscal year, clearly setting out the gross  
22 income, expenses, and net income accruing to the benefit of the chari-  
23 table organization, a balance sheet as of the close of the fiscal year  
24 and a schedule of the activities carried on by the organization in the  
25 performance of its purposes, and the amounts expended for them, during  
26 the fiscal year. An organization shall report its expenditures in  
27 accordance with standards and classifications of accounts prescribed  
28 by the department to effect uniform reporting by organizations having  
29 similar activities and programs. The report shall also include a

1 statement of changes in the information required to be contained in the  
2 registration form filed on behalf of the organization. The report  
3 shall be signed by the president or other authorized officer and the  
4 chief fiscal officer of the organization, and accompanied by an opinion  
5 signed by an independent public accountant that the financial statement  
6 and balance sheet fairly represent the financial operations and posi-  
7 tion of the organization.

8 (b) An organization registered under sec. 20 of this chapter  
9 which receives in a fiscal year of the organization contributions of  
10 \$2,500 or less and all of whose fund-raising functions are carried on  
11 by persons who are unpaid for these services shall file a written re-  
12 port with the department on forms prescribed by it, within six months  
13 after the close of the fiscal year, that shall include a financial  
14 statement covering the fiscal year limited to a statement of the organi-  
15 zation's gross receipts from contributions, fund-raising expenses  
16 including a separate statement of the cost of goods, services or  
17 admissions supplied as part of its solicitations, and the disposition  
18 of the net proceeds from contributions. The report also shall include  
19 a statement of changes in the information required to be contained in  
20 the registration form filed on behalf of the organization. The report  
21 shall be signed by the president or other authorized officer and the  
22 chief fiscal officer who shall certify that the statements in the  
23 report are correct to the best of their knowledge.

24 (c) For a fiscal year of an organization registered under sec. 20  
25 of this chapter in which the organization would have been exempt under  
26 sec. 30 of this chapter if it had not been registered, or in which it  
27 did not solicit or receive contributions, the organization shall file,  
28 instead of the reports required by (a) or (b) of this section, a report  
29 in the form of an affidavit of its president and chief fiscal officer

1 stating the exemption and the facts upon which it is based or that the  
2 organization did not solicit or receive contributions in the fiscal  
3 year. The affidavit also shall include a statement of changes in the  
4 information required to be contained in the registration form filed on  
5 behalf of the organization.

6 (d) A charitable organization registered under sec. 20 of this  
7 chapter, which is the parent organization of one or more chapters in  
8 the state, and its chapters may comply with the reporting requirements  
9 of (a), (b) or (c) of this section by filing a consolidated written  
10 report on forms prescribed by the department. As used in this section  
11 the term "chapter" means a branch, auxiliary, affiliate or other sub-  
12 ordinate unit of a registered charitable organization of whatever  
13 designation, whose policies, fund-raising activities and expenditures  
14 are supervised or controlled by the parent organization. There shall  
15 be appended to a consolidated report a schedule containing the informa-  
16 tion that may be prescribed by the department, reflecting the activities  
17 of a chapter. The schedule shall contain a certification, under penalty  
18 of perjury, by an official of the organization certifying that the  
19 information contained in it is true. The failure of a parent organiza-  
20 tion to file an appropriate consolidated written report does not excuse  
21 either the parent organization or its chapters from complying with the  
22 provisions of (a), (b) or (c) of this section.

23 (e) The department shall cancel the registration of an organization  
24 which fails to comply with (a), (b) or (c) of this section within the  
25 time prescribed, or fails to furnish the additional information that is  
26 requested by the department within the required time. However, the  
27 department may extend the period of time in which the report required  
28 by this section or information requested by the department shall be  
29 filed. The extension of time may not exceed six months.

1           Sec. 10.50.050. EXAMINATION OF BOOKS, RECORDS, DOCUMENTS. (a)

2           The records, books and reports maintained by a charitable organization  
3           registered or required to register under sec. 20 of this chapter shall  
4           be available for inspection by the attorney general at the principal  
5           office of the organization.

6           (b) A charitable organization is subject to examination by the  
7           commissioner or the attorney general to ascertain the condition of its  
8           affairs and to what extent, if at all, it has failed to comply with  
9           trusts which it has assumed or has departed from the general purpose  
10          for which it is formed. In case of a failure or departure the attorney  
11          general on recommendation of the commissioner or on his own motion  
12          shall institute the proceedings necessary to correct the noncompliance  
13          or departure.

14          Sec. 10.50.060. INVESTIGATORY POWERS. If the commissioner has  
15          reason to believe that a charitable organization or person subject to  
16          the provisions of this chapter has engaged in an act which is in viola-  
17          tion of the provisions of this chapter, he may conduct an investigation  
18          to determine if the act has been committed and, to the extent neces-  
19          sary for this purpose, may administer oaths or affirmations and, upon  
20          his own motion or upon request of any party, he may subpoena witnesses,  
21          compel their attendance, adduce evidence, and require the production  
22          of any matter which is relevant to the investigation, including the  
23          existence, description, nature, custody, condition, and location of  
24          any books, documents, records or other tangible things, and the identity  
25          and location of persons having knowledge of relevant facts, or any  
26          other matter reasonably calculated to lead to the discovery of admis-  
27          sible evidence.

28          Sec. 10.50.065. ADMINISTRATIVE HEARINGS. An administrative  
29          hearing held under this chapter shall be conducted in accordance with

1 the Administrative Procedure Act (AS 44.62).

2 Sec. 10.50.070. ENFORCEMENT. (a) In addition to any other  
3 action authorized by law, the attorney general on recommendation of the  
4 commissioner may bring an action in the superior court against a chari-  
5 table organization and any other persons acting for it or in its behalf  
6 to enjoin the organization and persons from continuing the solicitation  
7 or collection of funds or property or engaging in them or doing acts  
8 in their furtherance, and to cancel the registration statement previously  
9 filed with the department, when the attorney general believes it is in  
10 the public interest and that the charitable organization

11 (1) is operating in violation of the provisions of this  
12 chapter;

13 (2) has refused or failed, or its principal officers have  
14 refused or failed, after notice, to produce records of the organization;

15 (3) is employing or about to employ, or there is employed,  
16 or about to be employed, in the solicitation or collection of funds or  
17 other property for the organization, a device, scheme or artifice to  
18 defraud or for obtaining money or property by means of a false pretense,  
19 representation or promise;

20 (4) has made a material false statement in an application,  
21 registration or statement required to be filed under this chapter; or

22 (5) is soliciting funds by mail, or by any other means,  
23 where the solicitation includes the sending of goods, wares or merchan-  
24 dise not ordered or requested by the recipient and less than 50 per cent  
25 of the total amount of the funds so raised is or will be devoted to the  
26 purported purposes of the charitable organization.

27 (b) The activity described in (a)(1) - (5) of this section is a  
28 fraud on the people of the state.

29 (c) Upon a showing by the attorney general in an application for

1 an injunction that a person engaged in the solicitation or collection  
2 of funds for charitable purposes, either as an individual or as a mem-  
3 ber of a partnership, or as an officer of a corporation or as an agent  
4 for some other person, or partnership or corporation, has been convicted  
5 in this state or elsewhere of a felony or of a misdemeanor involving  
6 the misappropriation, misapplication or misuse of the money or property  
7 of another, and who has not, subsequent to the conviction, received  
8 executive pardon for the conviction or a certificate of good conduct  
9 or rehabilitation from the parole board, the superior court, after  
10 hearing, may enjoin the person from engaging in the solicitation or  
11 collection of funds for charitable purposes.

12 (d) The commissioner or the attorney general may exercise the  
13 authority granted in this section against a charitable organization  
14 which operates under the guise or pretense of being an organization  
15 exempted by the provisions of sec. 30 of this chapter and is not in  
16 fact an organization entitled to an exemption.

17 Sec. 10.50.080. NONRESIDENT CHARITABLE ORGANIZATIONS; SERVICE OF  
18 PROCESS. A charitable organization having its principal place of busi-  
19 ness outside the state or organized under the laws of a foreign state  
20 that solicits contributions from people in this state is considered to  
21 have irrevocably appointed the commissioner of commerce as its agent  
22 upon whom may be served summons, subpoena, subpoena duces tecum, or  
23 other process directed to the charitable organization, or a partner,  
24 principal, officer or director in an action or proceeding brought by  
25 the attorney general under this chapter. A charitable organization may  
26 file with the commissioner a designation, in terms of complying with  
27 this section, duly acknowledged, irrevocably appointing the commis-  
28 sioner as its agent upon whom process may be served. However, a desig-  
29 nation filed with the commissioner under AS 10.05.057 or AS 10.20.046

1 also is a sufficient designation for the purposes of this section.  
2 Service of process upon the commissioner shall be made by personally  
3 delivering to and leaving with him a copy of it at the department's  
4 office, and the service shall be sufficient service. However, notice  
5 of the service and a copy of the process immediately shall be sent by  
6 the commissioner to the charitable organization by certified mail,  
7 return receipt requested, at its office as set out in the registration  
8 form required to be filed under sec. 20 of this chapter, or in default  
9 of the filing of the form, at the last address known to the commis-  
10 sioner. Service of process shall be complete upon the receipt by the  
11 commissioner of a return receipt purporting to be signed by the  
12 addressee or a person qualified to receive his or its certified mail,  
13 in accordance with the rules and customs of the United States Postal  
14 Service, or, if acceptance was refused by the addressee or his or its  
15 agent, 10 days after the return to the commissioner of the original  
16 envelope bearing a notation by the postal service that receipt of it  
17 was refused.

18 ARTICLE 2. PROFESSIONAL FUND RAISERS AND SOLICITORS.

19 Sec. 10.50.090. PROFESSIONAL FUND RAISERS. (a) No person may  
20 act as a professional fund raiser for a charitable organization required  
21 to register under sec. 20 of this chapter before he has registered with  
22 the department or after the expiration or cancellation of the regis-  
23 tration or its renewal. Applications for registration and reregistra-  
24 tion shall be in writing, under oath, in the form prescribed by the  
25 department and accompanied by an annual fee of \$50. The applicant at  
26 the time of making application shall file with, and have approved by,  
27 a bond in which the applicant is the principal obligor in the sum of  
28 \$5,000, with one or more sureties whose liability in the aggregate as  
29 sureties will equal at least that sum. The bond shall run to the

1 commissioner for the use of the state and to pay a person who may have  
2 a cause of action against the obligor of the bond for malfeasance or  
3 misfeasance in the conduct of the solicitation. Registration or re-  
4 registration when effected shall be for a period of one year, or a  
5 part of it, expiring on March 31, and may be renewed by written appli-  
6 cation, under oath, on the form prescribed by the department and the  
7 filing of the bond and the fee prescribed in this section for additional  
8 one-year periods. Applications for registration and reregistration and  
9 bonds, when filed with the department, are public records in the  
10 department's office.

11 (b) A professional fund raiser shall maintain accurate, current  
12 books and records of his activities while required to be registered  
13 under this section. Until at least three years have elapsed after the  
14 end of the effective period of the registration to which they relate,  
15 he shall keep the books and records in his office available for inspec-  
16 tion and examination by the attorney general.

17 (c) Wilful violation of the provisions of this section is a  
18 misdemeanor.

19 Sec. 10.50.100. CONTRACTS. Contracts entered into between pro-  
20 fessional fund raisers and charitable organizations shall be in writing  
21 and a copy of the contract filed by the professional fund raiser who  
22 is a party to it with the department within 10 days after it is made.  
23 Copies of these contracts shall be kept on file in the offices of the  
24 charitable organization and the professional fund raiser during their  
25 term and until the expiration of a period of three years subsequent  
26 to the date the solicitation of contributions provided for in the  
27 contract terminates. Wilful violation of this section is a misde-  
28 meanor.

29 Sec. 10.50.110. PROFESSIONAL SOLICITOR. No person may act as a  
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1 professional solicitor in the employ of a professional fund raiser  
2 required to register under sec. 90 of this chapter before he has  
3 registered with the department or after the expiration or cancellation  
4 of the registration or its renewal. Application for registration or  
5 reregistration shall be in writing, under oath, on the form prescribed  
6 by the department and accompanied by a fee of \$10. The registration  
7 or reregistration when effected shall be for a period of one year, or  
8 part of it, expiring on March 31, and may be renewed by written appli-  
9 cation, under oath, on the form prescribed by the department and the  
10 payment of the fee prescribed in this section for additional one-year  
11 periods. Applications for registration and reregistration, when filed  
12 with the department, are public records in the department's office.  
13 Wilful violation of the provisions of this section is a misdemeanor.

14 Sec. 10.50.120. ENFORCEMENT. When the commissioner believes  
15 that a professional fund raiser or professional solicitor is operating  
16 in violation of the provisions of this chapter, or has made a false  
17 statement in an application, registration or statement required to be  
18 filed under this chapter, or if a professional fund raiser has refused  
19 or failed, after notice, to produce a record demanded of him, or there  
20 is employed or is about to be employed in a solicitation or collection  
21 of contributions for a charitable organization a device, scheme or  
22 artifice to defraud or for obtaining money or property by means of a  
23 false pretence, representation or promise, in addition to any other  
24 action authorized by law, he may bring an action in the superior court  
25 against the professional fund raiser or professional solicitor, and  
26 other persons who have participated or are about to participate in a  
27 solicitation or collection by employing a device, scheme, artifice,  
28 false representation or promise, to enjoin the professional fund  
29 raiser or professional solicitor, or other person from continuing the

1 solicitation or collection or engaging in or doing any acts in further-  
2 ance of it, or to cancel a registration statement previously filed with  
3 the department.

4 Sec. 10.50.130. NONRESIDENT PROFESSIONAL FUND RAISERS AND PROFES-  
5 SIONAL SOLICITORS; SERVICE OF PROCESS. A professional fund raiser or  
6 professional solicitor who has his or its principal place of business  
7 outside the state or is organized under the laws of a foreign state and  
8 who solicits contributions from people in this state is considered to  
9 have irrevocably appointed the commissioner of commerce as his or its  
10 agent upon whom may be served any summons, subpoena, subpoena duces  
11 tecum, or other process directed to the professional fund raiser, pro-  
12 fessional solicitor or any partner, principal, officer, or director of  
13 it, in an action or proceeding brought by the attorney general under  
14 this chapter. A professional fund raiser or professional solicitor may  
15 file with the commissioner a designation, in terms of complying with  
16 this section, duly acknowledged, irrevocably appointing the commis-  
17 sioner as its agent upon whom process may be served. However, a desig-  
18 nation filed with the commissioner under AS 10.05.057 or AS 10.20.046  
19 also is a sufficient designation for the purposes of this section. Ser-  
20 vice of process upon the commissioner shall be made personally by  
21 delivering to and leaving with him a copy of it at the department's  
22 office, and the service shall be sufficient service. However, notice  
23 of the service and a copy of the process immediately shall be sent by  
24 the commissioner to the professional fund raiser or professional solici-  
25 tor by certified mail, return receipt requested, at his or its office  
26 as set out in the registration form required to be filed under secs.  
27 90 and 110 of this chapter, or in default of the filing of the form,  
28 at the last address known to the commissioner. Service of process shall  
29 be complete 10 days after the receipt by the attorney general of a

1 return receipt purporting to be signed by the addressee or a person  
2 qualified to receive his or its certified mail, in accordance with the  
3 rules and customs of the United States Postal Service, or, if acceptance  
4 was refused by the addressee or his or its agent, 10 days after the  
5 return to the commissioner of the original envelope bearing a notation  
6 by the postal service that receipt of it was refused.

7 ARTICLE 3. MISCELLANEOUS.

8 Sec. 10.50.140. UNAUTHORIZED USE OF NAMES. (a) No person may,  
9 for the purpose of soliciting contributions from persons in this state,  
10 use the name of any person, except that of an officer, director or  
11 trustee of the charitable organization by or for which contributions  
12 are solicited, without the written consent of that other person.

13 (b) A person shall be considered to have used the name of another  
14 person for the purpose of soliciting contributions if the latter per-  
15 son's name is listed on stationery, in an advertisement, a brochure or  
16 in correspondence in or by which a contribution is solicited by or on  
17 behalf of a charitable organization or his name is listed or referred  
18 to in connection with a request for a contribution as one who has con-  
19 tributed to, sponsored or endorsed the charitable organization or its  
20 activities.

21 (c) Nothing contained in this section prevents the publication of  
22 names of contributors without their written consents in an annual or  
23 other periodic report issued by a charitable organization for the  
24 purpose of reporting on its operations and affairs to its membership  
25 or for the purpose of reporting contributions to contributors.

26 (d) Violation of this section is a misdemeanor.

27 Sec. 10.50.150. SOLICITATION BY UNREGISTERED CHARITABLE ORGANIZA-  
28 TIONS OR UNREGISTERED PROFESSIONAL FUND RAISERS. (a) No charitable  
29 organization required to be registered under this chapter may employ a

1 professional fund raiser required to be registered under this chapter  
2 unless the fund raiser is registered.

3 (b) No professional fund raiser required to be registered under  
4 this chapter may enter into a contract or raise funds for an organiza-  
5 tion required to be registered under this chapter unless the charitable  
6 organization is registered.

7 (c) No professional fund raiser required to be registered under  
8 this chapter may employ a professional solicitor who is not registered  
9 under this chapter.

10 (d) In addition to other remedies provided by law the commissioner  
11 may bring an action to enjoin the violation of the provisions of this  
12 section. The commissioner shall give notice of at least 15 days in  
13 writing by certified mail to the organization, person or persons  
14 violating the provisions of this chapter, requiring that registration be  
15 accomplished or that the solicitation of funds be terminated immediately.  
16 Failure to discontinue solicitation immediately or to register under  
17 this chapter within 15 days of service of this notice is a continuing  
18 fraud upon the people of this state.

19 Sec. 10.50.160. ADVISORY COUNCIL. The commissioner may appoint  
20 an advisory council of not less than five nor more than ten persons to  
21 advise him and make recommendations with respect to the operation and  
22 administration of this chapter with the objective of assuring maximum  
23 compliance by charitable organizations with the provisions of this  
24 chapter. The commissioner shall designate the chairman of the advisory  
25 council and fix the terms of its members. The members serve without  
26 compensation but are entitled to per diem and travel expenses as may be  
27 authorized by law.

28 Sec. 10.50.170. ADMINISTRATIVE REGULATIONS. The commissioner shall  
29 promulgate under the Administrative Procedure Act (AS 44.62) those

1 regulations he considers necessary for the effective administration of  
2 this chapter.

3 Sec. 10.50.180. EXCHANGE OF INFORMATION, RECIPROCAL AGREEMENTS.  
4 The commissioner with the approval of the attorney general may enter  
5 into reciprocal agreements with a like authority in another state or  
6 states to exchange information made available to the department under  
7 this chapter. Under these agreements the commissioner may accept  
8 information filed by a charitable organization, professional fund raiser  
9 or professional solicitor, with another state in lieu of the information  
10 required to be filed by a charitable organization, professional fund  
11 raiser or professional solicitor under secs. 20, 90 and 110 of this  
12 chapter, if the information is substantially similar to the information  
13 required to be filed under those sections.

14 Sec. 10.50.190. CONSTRUCTION. This chapter shall operate prospec-  
15 tively and shall be liberally construed to meet its objectives, and the  
16 attorney general has all the powers necessary to carry out the purposes  
17 of this chapter.

18 Sec. 10.50.200. DEFINITIONS. In this chapter

19 (1) "charitable organization" means any benevolent, philan-  
20 thropic, patriotic, or eleemosynary person or one purporting to be the  
21 same;

22 (2) "commissioner" means the commissioner of commerce;

23 (3) "contribution" means the promise or grant of money or  
24 property of any kind or value, including a grant or other financial  
25 assistance from an agency of government, except payments by members of  
26 an organization for membership fees, dues, fines, or assessments, or for  
27 services rendered to individual members, if membership in the organiza-  
28 tion confers a bona fide right, privilege, professional standing, honor  
29 or other direct benefit, other than the right to vote, elect officers,

1 or hold office;

2 (4) "department" means the Department of Commerce;

3 (5) "professional fund raiser" means a person who for compen-  
4 sation or other consideration plans, conducts, manages, or carries on a  
5 drive or campaign in this state for the purpose of soliciting contribu-  
6 tions for or on behalf of a charitable organization or other person, or  
7 who engages in the business of, or holds himself out to persons in this  
8 state as independently engaged in the business of soliciting contribu-  
9 tions for that purpose; a bona fide officer or employee of a charitable  
10 organization is not considered a professional fund raiser;

11 (6) "professional solicitor" means a person who is employed  
12 or retained for compensation by a professional fund raiser to solicit  
13 contributions for charitable purposes from persons in this state.

14 Sec. 10.50.210. SHORT TITLE. This chapter shall be known and  
15 may be cited as the Alaska Charitable Organizations and Solicitations  
16 Act.  
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