

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Hardin**

A Bill

SENATE BILL

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE TITLE 4, CHAPTER 88,
SUBCHAPTER 1 REQUIRING ADDITIONAL DISCLOSURE BY
PROFESSIONAL FUND RAISERS; AND FOR OTHER PURPOSES."

Subtitle

"AN ACT TO AMEND ARKANSAS CODE TITLE 4, CHAPTER 88,
SUBCHAPTER 1 REQUIRING ADDITIONAL DISCLOSURE BY
PROFESSIONAL FUND RAISERS."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 4-88-110 is hereby amended to read as follows:

"4-88-110. Solicitations for charitable organizations.

(a) It is an unlawful practice for any person to solicit or request contributions or to sell goods, tickets of admission, advertising, or any other thing of value or offer to do the same when any part of the proceeds is pledged to be given to a charitable organization or solicited for a charitable purpose unless:

(1) Prior to accepting funds, the person discloses to each party solicited and every purchaser prior to accepting funds, the identity of the person responsible for soliciting the funds and whether any compensation is received for these services;

(2) Whether soliciting by telephone, by mail or any other means, the person clearly and unambiguously discloses to each party and every purchaser at the time or point of solicitation, their professional status;

(3) Upon request by a solicited party, the person truthfully and accurately discloses the percentage of funds raised which is being paid to the

1 solicitor and what percentage will be applied to the charitable purpose; and
 2 (4) Upon request by a solicited party, the person truthfully and
 3 accurately discloses the percentages of funds that are to be received by
 4 either or both the professional fund raiser and the charitable organization as
 5 reflected in the written contract between the professional fund raiser and
 6 charitable organization.

7 (b) It is an unlawful practice for any person to solicit contributions
 8 of anything of value or to sell or offer to sell tickets of admission,
 9 advertising, or any other tangible thing of value upon the representation,
 10 direct or by implication, that any part of the funds or other items received
 11 shall be given or contributed to any charitable organization when the
 12 organization has not agreed or consented in writing to the use of its name
 13 prior to the promotion and solicitation.

14 (c) It is an unlawful practice for any person to sell or offer to sell
 15 passes or tickets of admission when a greater number of tickets will be
 16 offered for sale than the capacity of the facility for the number of shows
 17 contracted to be performed without disclosing, orally and in writing, prior to
 18 receipt of payment for the passes or tickets, the total seating capacity, the
 19 total number of seats for which tickets or passes will be sold, and the total
 20 number of persons expected to attend the production or event.

21 (d) It is an unlawful practice for a person to make any
 22 misrepresentation, either expressed or implied, in the course of soliciting
 23 funds for a charitable organization.

24 (e) The provisions of this section shall not apply to any bona fide
 25 full-time employee of the charitable organization, or to any person who
 26 donates or gives all of the gross proceeds from sales or all contributions to
 27 the organizations for which the funds or things of value were solicited.
 28 However, this exemption shall not apply to any person who directly or
 29 indirectly receives commission as compensation for services in relation to
 30 fund-raising activities performed for the charitable organization."

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32 SECTION 2. Subchapter 1 of Chapter 88 of Title 4 of the Arkansas Code
 33 is amended by adding the following section at the end to read as follows:

34 "4-88-115. Statue of limitations.

35 Any civil action brought to enforce the provisions of this chapter may

1 be brought in any court of competent jurisdiction in this state during a
2 period of five (5) years commencing on the date of occurrence of the violation
3 or the date upon which the cause of action arises."

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5 SECTION 3. All provisions of this act of a general and permanent nature
6 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
7 Revision Commission shall incorporate the same in the Code.

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9 SECTION 4. If any provision of this act or the application thereof to
10 any person or circumstance is held invalid, such invalidity shall not affect
11 other provisions or applications of the act which can be given effect without
12 the invalid provision or application, and to this end the provisions of this
13 act are declared to be severable.

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15 SECTION 5. All laws and parts of laws in conflict with this act are
16 hereby repealed.

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