**South Carolina General Assembly**

126th Session, 2025-2026

**H. 4396**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Wetmore and Wooten

Document Path: LC-0161PH25.docx

Introduced in the House on April 23, 2025

Currently residing in the House Committee on **Judiciary**

Summary: Solicitation of charitable funds

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 4/23/2025 House Introduced and read first time (House Journal‑page 53)

 4/23/2025 House Referred to Committee on **Judiciary** (House Journal‑page 53)

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=4396&session=126&summary=B)  at the website

**VERSIONS OF THIS BILL**

[04/23/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/4396_20250423.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 33‑56‑50, RELATING TO ORGANIZATIONS EXEMPT FROM REGISTRATION PROVISIONS, SO AS TO INCREASE THRESHOLDS FOR CHARITIES REQUESTING EXEMPTIONS; BY AMENDING SECTION 33‑56‑70, RELATING TO CONTRACTS WITH PROFESSIONAL SOLICITORS, SO AS TO LIMIT FILING REQUIREMENTS TO COMMERCIAL CO‑VENTURERS, UNDER CERTAIN CONDITIONS; BY AMENDING SECTION 33‑56‑90, RELATING TO REQUIRED DISCLOSURES, SO AS TO REQUIRE ANY ENTITY THAT IS SOLICITING FOR CHARITABLE ORGANIZATIONS TO DISCLOSE THE LEGAL NAME AND PURPOSE OF THE CHARITY FOR WHICH THEY ARE SOLICITING; BY AMENDING SECTION 33‑56‑110, RELATING TO REGISTRATION OF PROFESSIONAL SOLICITORS, FUND‑RAISING COUNSELS, OR COMMERCIAL CO‑VENTURERS, SO AS TO LIMIT REGISTRATION REQUIREMENTS FOR COMMERCIAL CO‑VENTURERS SOLICITING MORE THAN ten THOUSAND DOLLARS IN A SINGLE SOLICITATION CAMPAIGN; AND BY AMENDING SECTION 33‑56‑120, RELATING TO MISREPRESENTATIONS, SO AS TO PROHIBIT COMMERCIAL CO‑VENTURERS FROM USING REGISTRATION WITH THE SECRETARY OF STATE AS AN ENdorsEMENT BY THE STATE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1.A. Section 33‑56‑50 of the S.C. Code is amended to read:

 Section 33‑56‑50. (A) The following are not required to file registration statements with the Secretary of State if their fundraising activities are not conducted by professional solicitors, professional fundraising counsel, or commercial coventurers:

 (1) an educational institution which solicits contributions from only its students and their families, alumni, faculty, friends, and other constituencies, trustees, corporations, foundations, and individuals who are interested in and supportive of the programs of the institution;

 (2) a person requesting contributions for the relief of an individual specified by name at the time of the solicitation when all of the contributions collected, without deductions of any kind, are turned over to the named beneficiary for his use, as long as the person soliciting the contributions is not a named beneficiary;

 (3) a charitable organization which (a) does not intend to solicit, collect, earn, or receive contributions from the public gross revenue in excess of twenty‑five thousand dollars in during a calendar fiscal year and (b) has received a letter of tax exemption from the Internal Revenue Service, if all functions, including fundraising activities, of the organization exempted pursuant to this item are conducted by persons who are compensated no more than five hundred dollars in a year for their services and no part of their assets or income inures to the benefit of or is paid to an officer or a member. If the contributions raised from the public, whether or not the contributions are actually received by a charitable organization during any calendar year, are in excess of these amounts gross revenue solicited, collected, earned, or received by the organization exceeds this amount, within thirty days after the date the contributions exceed these amounts, then the organization must register with and report to the Secretary of State as required by this chapter within thirty days after the date the gross revenue exceeds this amount;

 (4) an organization which solicits exclusively from its membership, including a utility cooperative;

 (5) a veterans’ organization which has a congressional charter; and

 (6) the State, its political subdivisions, and an agency or a department of the State which are subject to the disclosure provisions of the Freedom of Information Act.

 (B) The following are not required to file registration statements with the Secretary of State regardless of whether or not their fundraising activities are conducted by professional solicitors, professional fundraising counsel, or commercial coventurers:

 (1) a public school district located in the State and any public school teaching pre‑K through grade twelve located within the public school district. For purposes of this chapter, the term “public school” includes any student organization within the school that does not maintain separate financial accounts or a separate federal Employer’s Identification Number (EIN) from the school and whose fundraising revenues are deposited in the school’s student activity fund; and

 (2) a charitable organization that does not intend to solicit, collect, earn, or receive contributions from the public gross revenue in excess of seven ten thousand five hundred dollars during a calendar fiscal year. If the contributions raised from the public, whether or not the contributions are actually received by a charitable organization during any calendar year, are in excess of these amounts gross revenue solicited, collected, earned, or received by the organization exceeds this amount, then the organization shall register and report to the Secretary of State as required by this chapter within thirty days after the date the contributions exceed these amounts gross revenue exceeds this amount.

 (C) A charitable organization claiming to be exempt from the registration provisions of this chapter and which solicits charitable contributions must submit annually to the Secretary of State, on forms prescribed by the Secretary of State, the name, address, and purpose of the organization and a statement setting forth the reason for the claim for exemption. If appropriate, the Secretary of State or his appropriate division shall issue a letter of exemption that may be exhibited to the public. A filing fee is not required of an exempt organization.

 (D) A professional solicitor, professional fundraising counsel, or commercial coventurer conducting fundraising activities on behalf of an exempt organization must comply with the registration and filing requirements of this chapter.

B. Section 33‑56‑70(A), (D) and (E) of the S.C. Code is amended to read:

 Section 33‑56‑70. (A) A contract or agreement between any professional fundraising counsel, professional solicitor, or commercial co‑venturer required to register with the Secretary of State pursuant to Section 33-56-110 and a charitable organization must be in writing and filed with the Secretary of State at least ten days before the professional fundraising counsel, professional solicitor, or commercial co‑venturer begins any solicitation activity or any other activity contemplated by the contract or agreement in this State. In addition, a professional solicitor or commercial co‑venturer shall attach a completed Notice of Solicitation form that complies with the requirements of this section to the contract or agreement filed with the Secretary of State.

 (D) Solicitations or services pursuant to a contract or agreement between a charitable organization and a professional solicitor, professional fundraising counsel, or commercial co‑venturer may not begin in this State until the contract or agreement has been filed with the Secretary of State and until both the charitable organization and the professional solicitor, professional fundraising counsel, or commercial co‑venturer are registered properly with the Secretary of State as required pursuant to this chapter.

 (E) Within ninety days after a solicitation campaign has been completed, or within ninety days after the anniversary of a solicitation campaign lasting more than one year, a professional solicitor or commercial co‑venturer required to register with the Secretary of State pursuant to Section 33‑56‑110 shall file with the Secretary of State a joint financial report for the campaign, including gross revenue, an itemization of expenses, and the amount paid to the charitable organization. This joint financial report must be completed on the form prescribed by the Secretary of State, signed by both an authorized official of the professional solicitor or commercial co‑venturer and an authorized official of the charitable organization, and certified to be true.

C. Section 33‑56‑90 of the S.C. Code is amended to read:

 Section 33‑56‑90. (A) At the initial time of solicitation, a charitable organization, professional solicitor, commercial co‑venturer, or other person engaging in the solicitation of charitable contributions must disclose the legal name and purpose of the charitable organization for which it is soliciting.

 (B) At the initial time of solicitation, a professional solicitor must disclose its status as a “professional” or “paid” solicitor. The professional solicitor also must disclose the registered true name of the professional fundraising organization for which it works and the registered true name, location, and purpose of the charitable organizations for which it is soliciting. Upon oral or written request of the solicited party, a professional solicitor also must disclose the percentage of gross receipts with which the professional solicitor is compensated including the amount the professional solicitor must be reimbursed as payment for fundraising costs. The professional solicitor also must disclose the guaranteed minimum percentage of gross receipts to be remitted or retained by the charitable organization excluding the amount which the charitable organization must pay for fundraising costs.

 (B)(C) Upon oral or written request by the solicited party, the professional solicitor must deliver to the solicited party within fifteen business days of the request a:

 (1) financial statement of the charitable organization disclosing assets, liabilities, fund balances, revenue, and expenses for the preceding fiscal year. This financial statement must be the most recently submitted annual financial report pursuant to Section 33‑56‑60; and

 (2) copy of the professional solicitor’s or charitable organization’s current registration certification from the Secretary of State.

 (C)(D) A professional solicitor that fails to comply with the provisions of this section is liable for an administrative fine not to exceed two thousand dollars for each separate violation.

 (D)(E) An offense committed in violation of this section is considered to have been committed at the place where the solicitation either was initiated or was received.

D. Section 33‑56‑110(A) of the S.C. Code is amended to read:

 (A) A person may not act as a professional solicitor, or professional fundraising counsel, or commercial co‑venturer for a charitable organization subject to the provisions of this chapter without first having registered with the Secretary of State. A person may not act as a commercial co‑venturer for a charitable organization subject to the provision of this chapter without first registering with the Secretary of State, if the person intends to solicit, collect, earn, or receive charitable contributions in excess of ten thousand dollars during a solicitation campaign. Registration includes filing of a complete application and filing fee. An application for registration must be in writing under oath or affirmation in the form prescribed by the Secretary of State and accompanied by an annual fee of fifty dollars.

E. Section 33‑56‑110(J) of the S.C. Code is amended by adding:

 (J) If a commercial co‑venturer intending to be exempt from registration with the Secretary of State collects, earns or receives charitable contributions in excess of ten thousand dollars during a solicitation campaign, then the commercial co‑venturer shall register and report to the Secretary of State as required by this chapter within thirty days after the date the contributions exceed this amount.

F. Section 33‑56‑120(B) of the S.C. Code is amended to read:

 (B) A charitable organization, professional fundraising counsel, or professional solicitor, or commercial co‑venturer shall not use or exploit the fact of registration with the Secretary of State so as to lead the public to believe that the registration in any way constitutes an endorsement or approval by the State. However, the use of the following statement is not considered a prohibited exploitation: “Registered with the Secretary of State as required by law”. Registration does not imply endorsement of a public solicitation for contributions.

SECTION 2. This act takes effect upon approval by the Governor.

‑‑‑‑XX‑‑‑‑