

Article 41 - Governor - Executive and  
Administrative Departments  
Section 103A through 103E  
Annotated Code of Maryland  
(1971 Replacement Volume and 1975 Supplement)

BY repealing

Article 56 - Licenses  
Section 282 through 289  
Annotated Code of Maryland  
(1972 Replacement Volume and 1975 Supplement)

BY adding to

Article 41 - Governor - Executive and  
Administrative Departments  
Section 103A through 103L  
Annotated Code of Maryland  
(1971 Replacement Volume and 1975 Supplement)

#### Preamble

Whereas, the original bills proposing legislation to regulate charitable organizations were introduced in the 1975 Session as a result of impetus coming from several television stations and newspapers, published programs, and articles alleging that various organizations soliciting funds from the public had excessively high administrative and other expenses, which resulted in a relatively small portion of the contributions collected being used for their intended purpose.

Under existing law there are two basic statutes dealing with charitable organizations. Article 41, Sections 103A through 103E requiring the filing of certain information with the Secretary of State prior to beginning solicitation, and to file a financial report with the Secretary of State at the close of its fiscal year. These sections, although imposing a criminal penalty to the violation of these provisions, have no civil enforcement provisions and many charities are exempt.

Article 56, Sections 282 through 289, require annual licenses for paid solicitors, but no provisions regulating these activities and again many charities are exempt.

The Governor on August 16, 1974 created a Commission on Charitable Organizations to examine the existing statutes and to make recommendations. The Commission concluded its work and found that the present laws were inadequate and recommended the original bills (SB 287, HB