

# DELIVERABLE GROUP 1

House Legislative Oversight Review of Secretary of State's Office

# Disclaimer:

## Updates to Program Evaluation Report

In the course of preparing the Deliverable Group presentations, some data provided in the original Program Evaluation Report has been corrected. The presentations will reference the corrected data, and the Program Evaluation Report will be updated once the Deliverable Group presentations are concluded.



# Deliverable Group 1

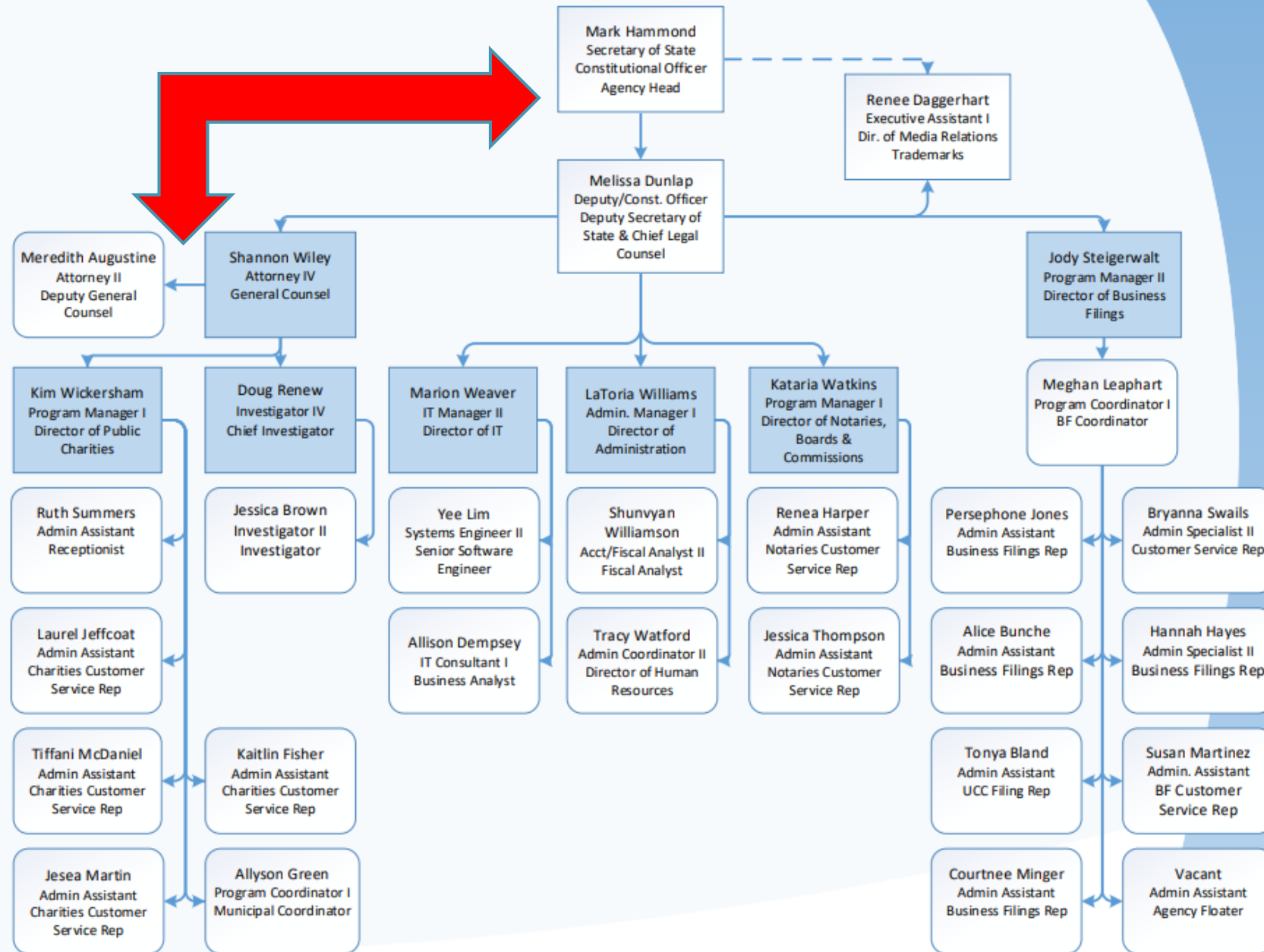
## Divisions Grouped in Deliverable Group 1:

- ▶ Public Charities
- ▶ Investigations & Trademarks
- ▶ Legal Functions Related to Public Charities, Investigations & Trademarks

# Deliverable Group 1

Although Municipalities is part of the Public Charities Division, it will be addressed in Deliverable Group 4 due to the number and variety of functions included under that area, such as:

- ▶ Municipal Incorporation
- ▶ Annexations
- ▶ Special Purpose Districts
- ▶ Joint Agencies & Joint Systems
- ▶ Service of Process
- ▶ Cable Franchise Authority
- ▶ Employment Agencies
- ▶ Business Opportunities



# DIVISION OF PUBLIC CHARITIES

- ▶ The purpose of the Division of Public Charities is to enforce the South Carolina Solicitation of Charitable Funds Act (S.C. Code of Laws § 33-56-10 et. seq.).
- ▶ The Solicitation of Charitable Funds Act was enacted in 1994 in order to regulate the manner, conditions, and procedures in which organizations solicit charitable funds in the State of South Carolina.



# Solicitation of Charitable Funds Act: Why Charities Regulation Matters

- ▶ The purpose of the Solicitation of Charitable Funds Act is to provide transparency and accountability to charitable donors and members of the public about how charities use donations.
- ▶ The Secretary of State also protects charitable donors by enforcing the requirements of the Solicitation of Charitable Funds Act.



CHARITIES  
REGULATION UNDER  
SOLICITATION OF  
CHARITABLE FUNDS ACT

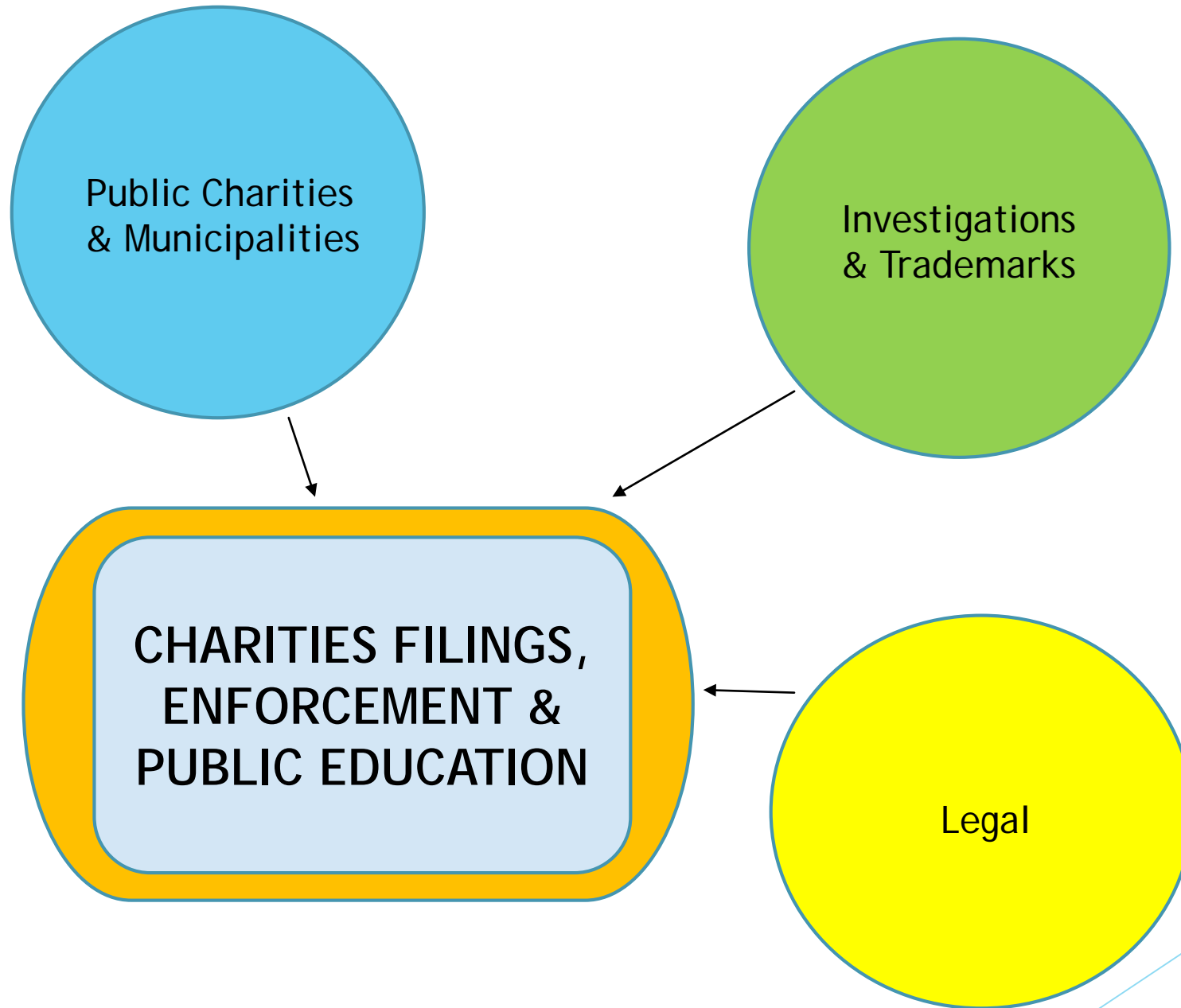
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graph TD; A([CHARITIES  
REGULATION UNDER  
SOLICITATION OF  
CHARITABLE FUNDS ACT]) --> B[Filings]; A --> C[Enforcement]; A --> D[Public Education];
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Filings

Enforcement

Public  
Education





# DIVISION OF PUBLIC CHARITIES: FILINGS

Types of entities required to file with the Charities Division under the Solicitation of Charitable Funds Act:

- ▶ Charitable Organizations
- ▶ Professional Solicitors
- ▶ Professional Fundraising Counsel
- ▶ Commercial Co-venturers

# DIVISION OF PUBLIC CHARITIES: FILINGS

What is considered a “charitable organization” under the Solicitation of Charitable Funds Act?

- ▶ “Charitable organization” is defined as a person:
  - ▶ that has been determined by the Internal Revenue Service to be a tax exempt organization pursuant to Section 501(c)(3) of the Internal Revenue Code;
  - ▶ that is or holds itself out to be established for any benevolent, social welfare, scientific, educational, environmental, philanthropic, humane, patriotic, public health, civic, or other eleemosynary purpose, or for the benefit of law enforcement personnel, firefighters, or other persons who protect the public safety; or
  - ▶ that employs a charitable appeal as the basis of solicitation or an appeal that suggests that there is a charitable purpose to a solicitation, or that solicits or obtains contributions solicited from the public for a charitable purpose.

# DIVISION OF PUBLIC CHARITIES: FILINGS

Types of entities that solicit donations but that are excluded from the definition of “charitable organization” include:

- ▶ Churches, synagogues, mosques and other houses of worship
- ▶ Religious organizations not required to file financial reports with the IRS based on their religious classification
- ▶ Political candidates and parties
- ▶ Entities that are required to file with the Federal Election Commission or State Election Commission, such as political action committees

# DIVISION OF PUBLIC CHARITIES: FILINGS

Types of filings for charitable organizations include:

- ▶ Registration Statements for a Charitable Organization
- ▶ Annual Applications for Registration Exemption
- ▶ Annual Financial Reports
- ▶ Annual Financial Report Extension Requests
- ▶ Applications for Payroll Deduction

# Registration Statement for a Charitable Organization

Deliverable Nos. 1, 2 & 3

- ▶ The registration statement must be filed prior to solicitation.
- ▶ Registration statements must be renewed annually, and are due 4 ½ months after the end of the charitable organization's fiscal year.
- ▶ The annual registration fee is \$50.00.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION

**REGISTRATION STATEMENT FOR A CHARITABLE ORGANIZATION**

Filing Instructions

- Pursuant to Section 33-56-30 of the South Carolina Code of Laws, failure to complete all sections of this form may cause your registration to be returned to you and may result in a possible violation and/or fine.
- If this is a renewal, this form cannot be accepted more than six (6) weeks prior to the current expiration.
- **This form must be signed and accompanied by a filing fee of \$50.00 made payable to the Secretary of State.**
- If the annual financial report for the immediately preceding fiscal year has not already been filed with the Secretary of State's Office, please submit it with this form. You may submit your financial report on the [Annual Financial Report for a Charitable Organization](#) which can be found on our website [www.scsos.com](http://www.scsos.com) or on IRS Form 990, 990EZ, or 990PF; **we cannot accept IRS Form 990-N.** If the financial report is not ready you must submit a copy of the extension request submitted to the IRS.
- Please contact our office with any questions regarding this form at 803-734-1790 or email [charities@scsos.gov](mailto:charities@scsos.gov).
- Mail to South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.
- Please type or print clearly.

Check one: ☐ Initial Registration ☐ Renewal

Current Fiscal Year Dates \_\_\_\_\_ to \_\_\_\_\_  
(mo/day/year) (mo/day/year)

Enter Federal Employer's Identification Number: \_\_\_\_\_ - \_\_\_\_\_ Charity Public ID: \_\_\_\_\_  
(Renewal only)

1. Legal Name of Organization: \_\_\_\_\_

a. Doing Business As (DBA) Names: \_\_\_\_\_  
(If applicable)

b. Former Names Used by the Charity: \_\_\_\_\_  
(If applicable)

c. Organization's Website: \_\_\_\_\_  
(If applicable)

d. Please provide a contact person for your organization:

Name \_\_\_\_\_ Title \_\_\_\_\_

Address, City, State, Zip Code \_\_\_\_\_

Daytime Phone \_\_\_\_\_ Email \_\_\_\_\_

2. Purpose for which this organization was formed. Attach a statement if necessary.  
\_\_\_\_\_

3. Tax-exempt status under the Internal Revenue Code: ☐ YES ☐ NO  
If "Yes," please provide a copy of any determination letter recognizing the charitable organization's tax-exempt status from the Internal Revenue Service and any changes, amendments, or revocations to that letter.

Charities Registration Statement, Revised December 2016 Page 1 of 4

Required by S.C. Code  
§§ 33-56-30, -40, -45

Customers:  
Charitable Organizations;  
Children's Trust Fund of  
S.C.; Fire Departments

Legislative Intent:  
Regulate manner, conditions, and  
procedures under which charitable  
funds may be solicited in S.C.  
(1994 Act. No. 461)

# Registration Statement for a Charitable Organization

Deliverable Nos. 1, 2 & 3

## Registration Fee Waivers:

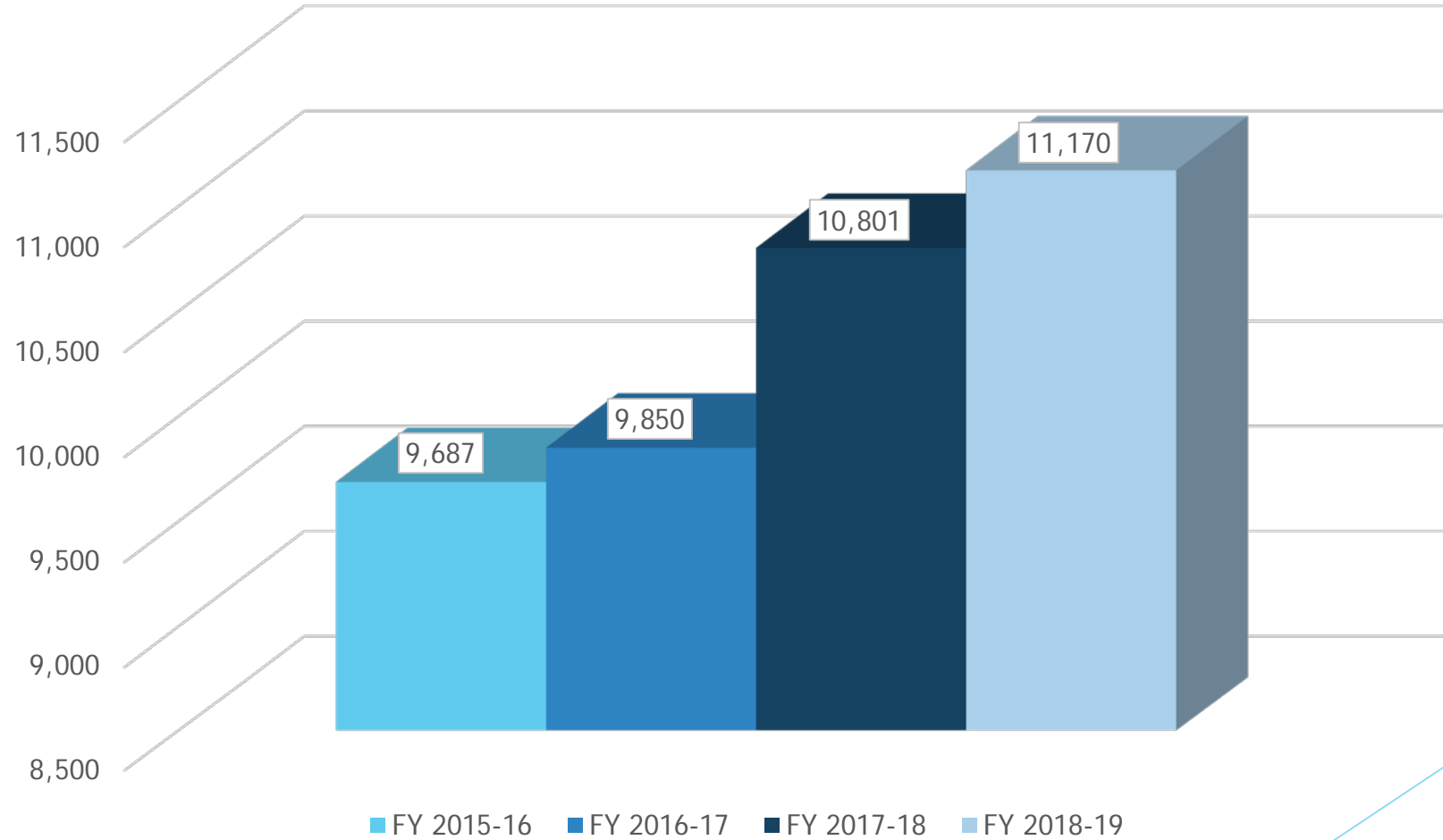
- ▶ Under Section 33-56-40, the Children's Trust Fund of South Carolina must register, but is not required to pay the \$50.00 filing fee.
- ▶ Under Section 33-56-45, fire departments must register, but a local governing body may pay a single \$50.00 filing fee for all fire departments within its jurisdiction.

Required by S.C. Code  
§§ 33-56-30, -40, -45

Customers:  
Charitable Organizations;  
Children's Trust Fund of  
S.C.; Fire Departments

Legislative Intent:  
Regulate manner, conditions, and  
procedures under which charitable  
funds may be solicited in S.C.  
(1994 Act. No. 461)

## Number of Charitable Organizations Filing Registration Statements





# Application for Registration Exemption

## Deliverable No. 4

Provided under S.C. Code  
§ 33-56-50

Customer:  
Charitable Organizations

The following types of charitable organizations may file an application for registration exemption if their fundraising activities are not conducted by professional fundraisers:

- ▶ Educational institutions
- ▶ Person or organization soliciting contributions for a specific named individual and all proceeds to be turned over to that individual
- ▶ Tax-exempt organizations which intend to solicit less than \$20,000.00 and all functions of the organization (including fundraising) are conducted by persons compensated less than \$500.00

Legislative Intent:  
Regulate manner, conditions, and procedures under which charitable funds may be solicited in S.C. (1994 Act. No. 461)

# Application for Registration Exemption

## Deliverable No. 4

Provided under S.C. Code  
§ 33-56-50

Customer:  
Charitable Organizations

The following types of charitable organizations may file an application for registration exemption if their fundraising activities are not conducted by professional fundraisers:

- ▶ Organizations that solicit only from members
- ▶ Veterans' organizations with a congressional charter
- ▶ The State and political subdivisions that are subject to the Freedom of Information Act

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Application for Registration Exemption

## Deliverable No. 4

Provided under S.C. Code  
§ 33-56-50

Customer:  
Charitable Organizations

The following types of charitable organizations may file an application for registration exemption regardless if their fundraising activities are conducted by professional fundraisers:

- ▶ Public school districts and public schools
- ▶ Organizations that solicit less than \$7,500.00 per year

Legislative Intent:  
Regulate manner, conditions, and procedures under which charitable funds may be solicited in S.C. (1994 Act. No. 461)

# Application for Registration Exemption

## Deliverable No. 4

- ▶ A charitable organization claiming exemption must file an annual application with the Division of Public Charities.
- ▶ There is no filing fee for the application for exemption.
- ▶ Exempt charitable organizations do not have to file annual financial reports with the Division of Public Charities.

**SOUTH CAROLINA  
SECRETARY OF STATE  
PUBLIC CHARITIES DIVISION**

**ANNUAL APPLICATION FOR REGISTRATION EXEMPTION**

Filing Instructions

- Pursuant to Section 33-56-50 of the South Carolina Code of Laws, failure to complete all sections of this form may cause your application for exemption to be returned to you and may result in a possible violation and/or fine.
- Please contact our office with any questions regarding this form at 803-734-1790 or email [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- Mail to South Carolina Secretary of State, Attn: Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.
- There is no fee for the filing of this application.

Name of Organization: \_\_\_\_\_

Check one: ☐ Initial Registration ☐ Renewal

Application for Current Fiscal Year \_\_\_\_\_ to \_\_\_\_\_  
(mo/day/year) (mo/day/year)

Enter Federal Employer's Identification Number: \_\_\_\_\_ Charity Public ID: \_\_\_\_\_  
(If applicable) (Renewal only)

**EXEMPTION QUALIFICATION (S.C. Code Section 33-56-50)**

Select ONE of the following bases for exemption under section A or B, not both. If none of these qualifications for exemption applies to your organization, you must submit a registration statement for a charitable organization.

**A.** Fundraising activities are not conducted by professional solicitors, professional fundraising counsel, or commercial co-venturers and you are:

- ☐ (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 or her 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 or receive contributions from the public in excess of \$20,000.00 in a calendar 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 \$500.00 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. **Please provide a copy of any determination letter recognizing the charitable organization's tax-exempt status from the Internal Revenue Service and any changes, amendments, or revocations to that letter;**
- ☐ (4) an organization which solicits exclusively from within its own membership, including utility cooperatives;
- ☐ (5) a veterans' organization which has a congressional charter;
- ☐ (6) the State, its political subdivisions, and any agencies or departments thereof which are subject to the disclosure provisions of the Freedom of Information Act.

**B.** Regardless of whether your fundraising activities are conducted by professional solicitors, professional fundraising counsel, or commercial co-venturers and you are:

- ☐ (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.
- ☐ (2) a charitable organization that does not intend to solicit or receive contributions from the public in excess of \$7,500.00 during a calendar year.

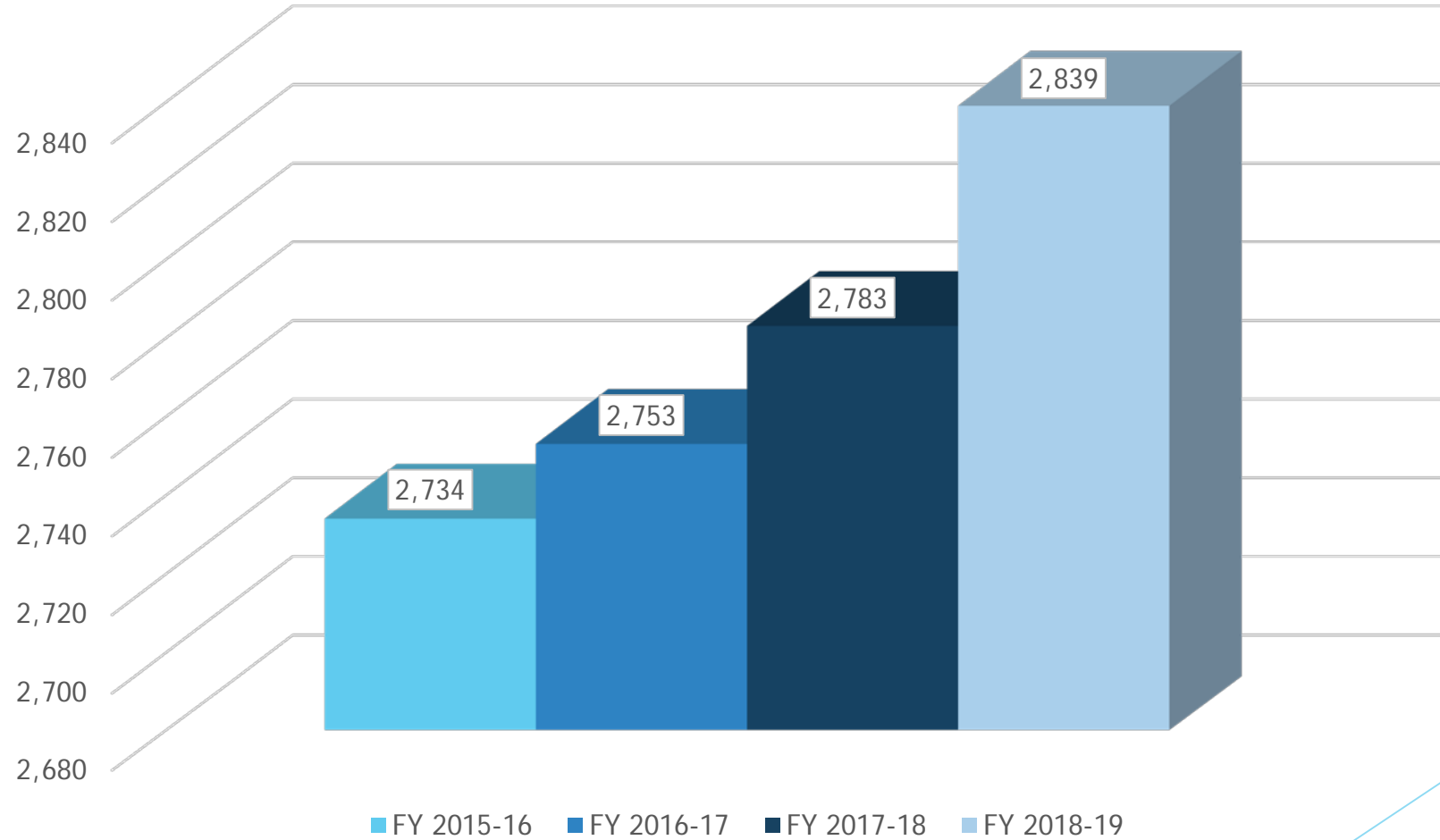
Annual Application for Registration Exemption, revised May 2013 Page 1 of 2

Provided under S.C. Code  
§ 33-56-50

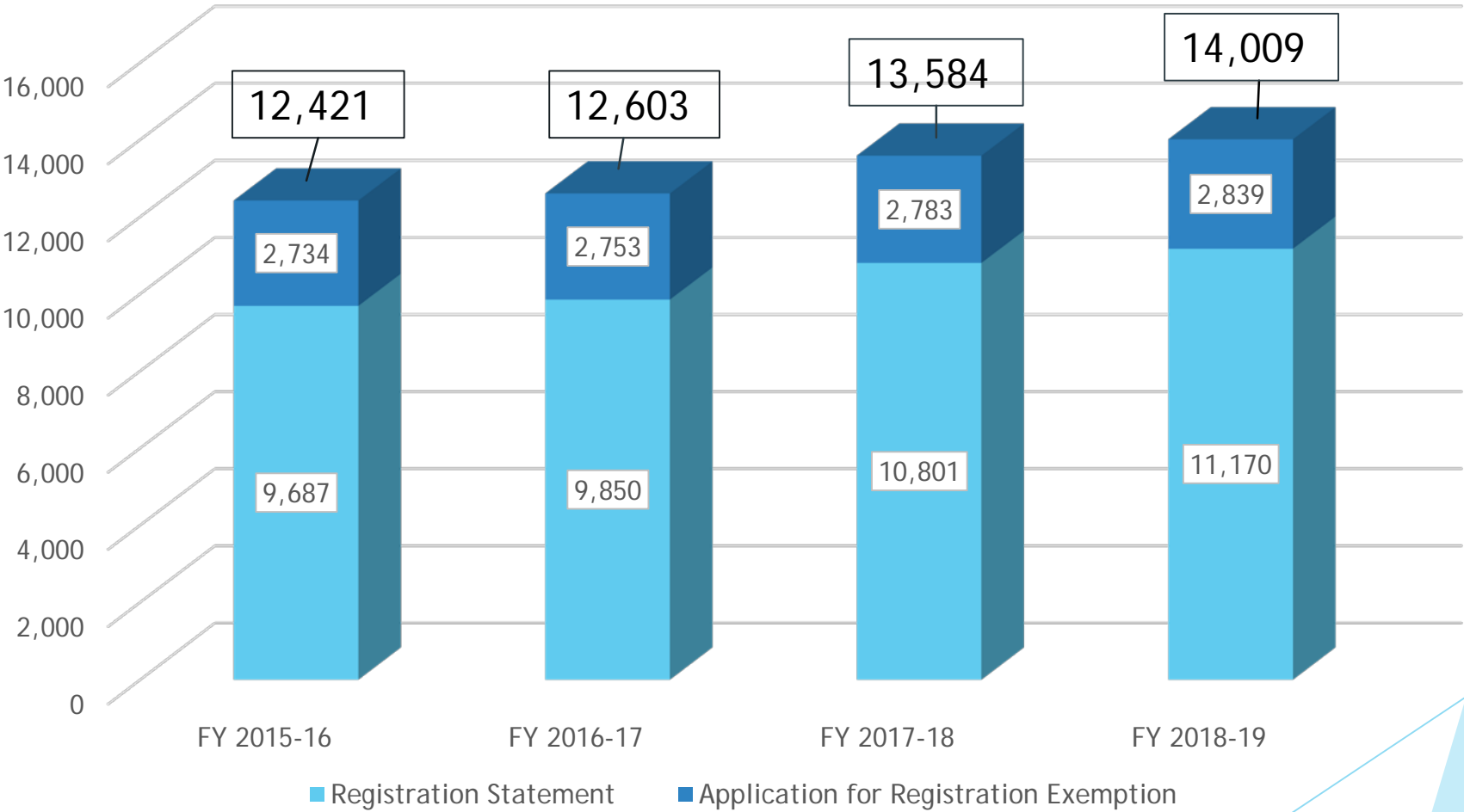
Customer:  
Charitable Organizations

Legislative Intent:  
Regulate manner, conditions, and  
procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

## Number of Charitable Organizations Filing Annual Applications for Registration Exemption



# Total Number of Charities Soliciting in South Carolina on File with the Division of Public Charities



# Annual Financial Reports & Extension Requests

## Deliverable Nos. 5 & 6

- ▶ Registered charitable organizations must file an annual financial report with the Division of Public Charities using one of the following:
  - ▶ IRS Form 990
  - ▶ IRS Form 990-EZ
  - ▶ IRS Form 990 PF
  - ▶ The Secretary of State's annual financial report form.
- ▶ There is no filing fee to submit the annual financial report.

**SOUTH CAROLINA SECRETARY OF STATE**  
**PUBLIC CHARITIES DIVISION**  
**ANNUAL FINANCIAL REPORT**

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Filing Instructions

- Organizations who file the IRS 990-N or are not required to file with the IRS should complete this form.
- **Please follow the instructions provided on pages 4 and 5 to complete this form.** You may contact our office with any questions at 803-734-1790 or email [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- **We do not accept this filing by fax or email;** you may upload this report using our online filing system at [www.sos.sc.gov](http://www.sos.sc.gov) or mail this form to: South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

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For the fiscal year ending \_\_\_\_\_ (mm/dd/yy) EIN: \_\_\_\_ - \_\_\_\_\_ Charity ID: \_\_\_\_\_

Organization's Name: \_\_\_\_\_

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**Part I— Fundraising Events or Contracts**

If your organization held any fundraising events, or used a commercial co-venturer (CCV) or professional fundraising company (PFR) during the previous fiscal year, you must report all revenue and expenses in the following table. Events include, but are not limited to, carnivals, dinners, galas, raffles, and bingo games. If you need additional space, you may list additional events on a separate sheet and include the amounts in the total revenue and expenses on this table.

(A) Name of Event, CCV or PFR	(B) Gross Receipts & Contributions	(C) Cash & Noncash Prize Expenses	(D) Other Expenses	(E) Total Expenses	(F) Net Revenue
1.				\$ 0.00	\$ 0.00
2.				\$ 0.00	\$ 0.00
3.				\$ 0.00	\$ 0.00
4.				\$ 0.00	\$ 0.00
5.				\$ 0.00	\$ 0.00
6.				\$ 0.00	\$ 0.00
7.				\$ 0.00	\$ 0.00
8.				\$ 0.00	\$ 0.00
9.				\$ 0.00	\$ 0.00
10.				\$ 0.00	\$ 0.00
11. Gross Revenue (add 1B through 10B)	\$ 0.00			\$ 0.00	\$ 0.00
12. Total Expenses (add 1E through 10E)				\$ 0.00	\$ 0.00

Annual Financial Report, revised January 2017 Page 1 of 5

Required by S.C. Code  
§§ 33-56-60, -60(A)

Customer:  
Charitable Organizations

Legislative Intent:  
Regulate manner, conditions, and  
procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Annual Financial Reports & Extension Requests

Deliverable Nos. 5 & 6

Required by S.C. Code  
§§ 33-56-60, -60(A)

Customer:  
Charitable Organizations

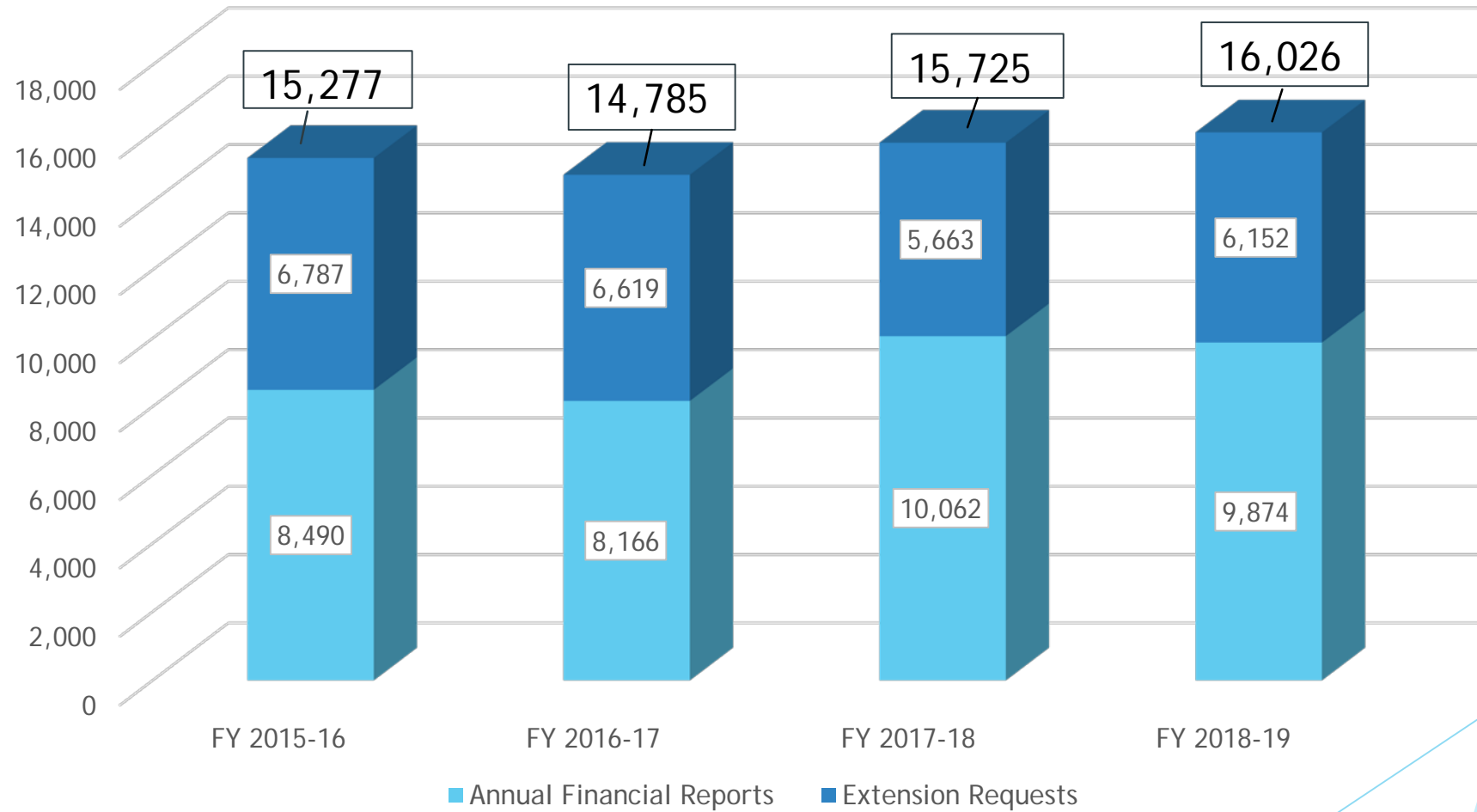


- ▶ Annual financial reports are due 4 ½ months after the end of the charitable organization's fiscal year.
- ▶ A charitable organization can request up to a six month extension to file their annual financial report.

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)



## Number of Annual Financial Report and Extension Request Filings



# State Payroll Deduction Application

## Deliverable No. 7

The Division of Public Charities determines if a charitable organization meets the criteria to receive charitable contributions from state employees through payroll deduction.

These criteria include:

- ▶ Qualified to solicit under Solicitation of Charitable Funds Act.
- ▶ Provide direct and continuing services to South Carolinians.
- ▶ Tax exempt under Section 501(c)(3).
- ▶ Not a 501(c)(4), 501(c)(5), or 501(c)(6) organization, or primarily engaged in the propagation of a religious faith, in lobbying, or in political activity.
- ▶ Non-discriminatory.
- ▶ Has neither a parent or subsidiary that fails to meet these qualifications.

Required by S.C. Code  
§ 8-11-92

Customer:  
Charitable Organizations;  
Comptroller General's  
Office

Legislative Intent:

The Comptroller General, upon written authorization by any officer or employee, may deduct from the salary or wages of any such officer or employee contributions to be paid over to an eligible nonprofit charitable organization. (Section 8-11-91)

# State Payroll Deduction Application

## Deliverable No. 7

- ▶ Payroll deduction applications are due on September 1<sup>st</sup> of each year.
- ▶ In previous years, the sole applicant has been the United Way; however, the United Way and its chapters submit a list of participatory nonprofits which are verified by the Division of Public Charities.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION  
**APPLICATION FOR PAYROLL DEDUCTION**

Filing Instructions

- All payroll deduction applications must be submitted to the Secretary of State's Office by September 1<sup>st</sup>.
- A list of all charitable organizations requesting funding from your agency must be submitted with this application.
- **Please submit this form to the South Carolina Secretary of State's Office, Division of Public Charities, 1205 Pendleton Street, Suite 525, Columbia, SC 29201.**
- Please contact our office with any questions regarding this form at 803-734-1790 or email [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- Please type or print clearly.

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1. Name of Charitable Organization: \_\_\_\_\_ Charity Public ID: \_\_\_\_\_

**A list of all charitable organizations requesting funding from your agency must be submitted with this application.**

2. Please provide a contact person for your organization:

\_\_\_\_\_  
Name \_\_\_\_\_ Email \_\_\_\_\_  
\_\_\_\_\_  
Address, City, State, Zip Code \_\_\_\_\_  
\_\_\_\_\_  
Daytime Phone \_\_\_\_\_

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I hereby certify that the above is a nonprofit, eleemosynary corporation, association or organization which is organized and operated exclusively for charitable, health or welfare services to the public and meets all of the following qualifications, as required by South Carolina Code of Laws Section 8-11-92:

1. Is and continues to be organized and qualified to solicit and operate under the laws of this state, pursuant to Chapter 56 of Title 33 of the South Carolina Code ("South Carolina Solicitation of Charitable Funds Act");
2. Provides direct and continuing services to or on behalf of the citizens of South Carolina. For purposes of this section, "direct and continuing services" means: (a) services other than legal advocacy services which are provided directly to and specifically for one individual or one family; or, (b) services which are in the nature of medical research; or, (c) services which involve the collection and administration of funds by umbrella organizations for other organizations, all of which qualify under the Act;
3. Is recognized as tax exempt under Section 501(c)(3) of Title 26, United States Code (the Internal Revenue Code of 1954, as amended);
4. Is not an organization contemplated by Section 501(c)(4), 501(c)(5), or 501(c)(6) of Title 26, United States Code (the Internal Revenue Code of 1954, as amended) and is not an organization primarily engaged in the propagation of a religious faith or belief; this prohibition shall include, but not be limited to, organizations primarily engaged in lobbying or political activity;
5. Is operated without discrimination in regard to all persons served, and complies with all requirements of law, including administrative regulations, respecting non-discrimination and equal opportunity regarding its officers, staff, employees and volunteers;
6. Has neither a parent organization nor a subsidiary organization which fails to meet qualifications herein contained in items 1 through 5.

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\_\_\_\_\_  
Name of Chief Executive Officer

\_\_\_\_\_  
Signature of Chief Executive Officer

Application for Payroll Deduction, revised May 2012

Required by S.C. Code  
§ 8-11-92

Customer:  
Charitable Organizations;  
Comptroller General's  
Office

Legislative Intent:  
The Comptroller General, upon written authorization by any officer or employee, may deduct from the salary or wages of any such officer or employee contributions to be paid over to an eligible nonprofit charitable organization. (Section 8-11-91)

# DIVISION OF PUBLIC CHARITIES: FILINGS

Types of professional fundraisers include:

- ▶ Professional Solicitors
  - ▶ Professional Solicitor Companies
  - ▶ Individual Professional Solicitors
- ▶ Professional Fundraising Counsel
- ▶ Commercial Co-venturers

# DIVISION OF PUBLIC CHARITIES: FILINGS

What is considered a “professional solicitor” under the Solicitation of Charitable Funds Act?

- ▶ “Professional solicitor” is defined as a person that, for monetary consideration, solicits contributions for or on behalf of a charitable organization.
- ▶ “Professional solicitor” also means a person that plans, conducts, manages, carries on, advises, or acts as a consultant to a charitable organization in connection with the solicitation of contributions, but that does not qualify as a “professional fundraising counsel” under the Solicitation of Charitable Funds Act.

# Common Types of Professional Solicitors on File with the Division of Public Charities

Telephone Solicitors



Bingo Promoters



Thrift Stores & Donation Bins



Door-to-Door



Commission-Based Fundraising Consultants



# DIVISION OF PUBLIC CHARITIES: FILINGS

What is considered a “professional fundraising counsel” under the Solicitation of Charitable Funds Act?

- ▶ A “professional fundraising counsel” is a person that for a fixed rate of compensation plans, conducts, manages, prepares materials for, advises, or acts as a consultant, directly or indirectly, in connection with soliciting contributions for or on behalf of a charitable organization, but that does not actually solicit contributions as a part of these services.
- ▶ A person whose compensation is computed on the basis of funds actually raised or to be raised is not a “professional fundraising counsel” under the Act.

# DIVISION OF PUBLIC CHARITIES: FILINGS

What is considered a “commercial co-venturer” under the Solicitation of Charitable Funds Act?

- ▶ A “commercial co-venturer” is a person that regularly and primarily engages in trade or commerce for profit that, for the benefit of an organization, may raise funds by advertising that the purchase or use of goods, services, entertainment, or other thing of value benefits the charitable organization, if it is offered at a price comparable to similar goods or services on the market.



# DIVISION OF PUBLIC CHARITIES: FILINGS

Types of filings for professional fundraisers include:

- ▶ Registration Applications
- ▶ Notices of Solicitation & Contracts
- ▶ Joint Financial Reports

## Required Filings for Different Types of Professional Fundraisers

Type of Filing	Professional Solicitor Company	Individual Professional Solicitor	Professional Fundraising Counsel	Commercial Co-venturer
Registration Application	Yes	Yes	Yes	Yes
Notice of Solicitation	Yes	No	No	Yes
Contract	Yes	No	Yes	Yes
Joint Financial Report	Yes	No	No	Yes

# Registration Application for a Professional Solicitor Company

## Deliverable No. 8

- ▶ The annual registration fee is \$50.00.
- ▶ The registration application must be renewed each year that the professional solicitor is active in South Carolina.
- ▶ The application must include a \$15,000.00 surety bond.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION  
**REGISTRATION APPLICATION  
PROFESSIONAL FUNDRAISING SOLICITOR**

Filing Instructions

- All lists, attachments and documents requested in this application must accompany the application or it will be returned for correction—they are not optional.
- This application must be signed by the CEO/President and CFO/Treasurer. If the persons signing this form are not listed as currently holding those positions, this form will be returned for correction.
- Include the \$50.00 filing fee, payable to South Carolina Secretary of State, with this application.
- Please contact our office with any questions regarding this form at 803-734-1790 or [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- Mail to: South Carolina Secretary of State, Public Charities Division, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

Check one: ☐ Initial Registration ☐ Renewal Fundraiser ID: \_\_\_\_\_ (Renewal only)

1. Legal Name of Fundraising Company: \_\_\_\_\_

A. DBA (if applicable): \_\_\_\_\_

B. EIN: \_\_\_\_\_

C. Physical Address: \_\_\_\_\_

D. Mailing Address (if different): \_\_\_\_\_

E. Phone Number: \_\_\_\_\_

F. E-mail: \_\_\_\_\_

G. Website: \_\_\_\_\_

2. Please provide a contact person for the company:

Name \_\_\_\_\_ Title \_\_\_\_\_

Address, City, State, Zip Code \_\_\_\_\_

Daytime Phone \_\_\_\_\_ Email \_\_\_\_\_

3. Solicitor company is operating as:

☐ Individual ☐ Sole Proprietor ☐ Corporation ☐ Partnership ☐ Other: \_\_\_\_\_

**\*\* Companies who have a principal place of business outside the state of South Carolina, who do not have a registered agent in South Carolina, may elect to use the Secretary of State for its registered agent.**

Name \_\_\_\_\_

Street Address (PO Box cannot be accepted) \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Organized in the State of: \_\_\_\_\_ Date organized: \_\_\_\_\_

4. Professional Solicitors must submit a \$15,000 surety bond bound unto the State of South Carolina with this application.

Registration Application, PFR Solicitor, revised August 2013

Required by S.C. Code  
§ 33-56-110

Customer:  
Professional Solicitor  
Companies

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Registration Application for an Individual Professional Solicitor

## Deliverable No. 9

- ▶ Individual professional solicitors are registered by the professional solicitor company that employs them.
- ▶ The application must disclose certain criminal convictions (e.g. fraud) and affirm disclosure requirements of the Solicitation of Charitable Funds Act.
- ▶ The annual registration fee is \$50.00.
- ▶ The registration application must be renewed each year that the professional solicitor is active in South Carolina.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION  
**REGISTRATION APPLICATION  
INDIVIDUAL PROFESSIONAL SOLICITOR**

Filing Instructions

- Include the \$50.00 filing fee, payable to South Carolina Secretary of State, with this application.
- Our office will not accept more than five individual solicitor applications to be paid with a single check.
- This application must be completed in its entirety. If there are any questions not answered, this form will be returned for correction.
- Please contact our office with any questions regarding this form at 803-734-1790 or [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- Mail to: South Carolina Secretary of State, Public Charities Division, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

Check one: ☐ Initial Registration ☐ Renewal Individual Solicitor's ID: \_\_\_\_\_  
(Renewal only)

1. Full Name of Individual Professional Solicitor: \_\_\_\_\_  
A. Home Address of Applicant: \_\_\_\_\_  
Street Address, City, State, Zip Code

2. Your employer's company name and contact information: \_\_\_\_\_  
Fundraising Company Name  
Contact Name Contact Title  
Contact Address, City, State, Zip Code  
Contact Phone Contact Email

3. List all other governmental authorities with which you are registered as a professional solicitor: \_\_\_\_\_

4. List any other charitable organizations for which you have solicited donations as a professional solicitor in the State of South Carolina for the previous three years. **Attach a separate sheet if necessary.**

5. Has your authority to solicit contributions been denied, cancelled, suspended or revoked, or has any disciplinary or legal action been taken against you by any governmental authority or is any action pending against you in relation to any fundraising activity? ☐ No ☐ Yes **If yes, provide a full description. Attach a separate sheet if necessary.**

Registration Application, Individual Professional Solicitor, revised August 2013

Required by S.C. Code  
§ 33-56-110

Customer:  
Individual Professional  
Solicitors Employed by  
Professional Solicitor  
Companies

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Registration Application for a Professional Fundraising Counsel

## Deliverable No. 10

- ▶ The annual registration fee is \$50.00.
- ▶ The registration application must be renewed each year that the professional fundraising counsel is active in South Carolina.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION  
**REGISTRATION APPLICATION  
PROFESSIONAL FUNDRAISING COUNSEL**

Filing Instructions

- All lists, attachments and documents requested in this application must accompany the application or it will be returned for correction—they are not optional.
- This application must be signed by the CEO/President and CFO/Treasurer. If the persons signing this form are not listed as currently holding those positions, this form will be returned for correction.
- Include the \$50.00 filing fee, payable to South Carolina Secretary of State, with this application.
- Please contact our office with any questions regarding this form at 803-734-1790 or [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- Mail to: South Carolina Secretary of State, Public Charities Division, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

Check one: ☐ Initial Registration ☐ Renewal Fundraiser ID: \_\_\_\_\_ (Renewal only)

1. Legal Name of Fundraising Company: \_\_\_\_\_

A. DBA (if applicable): \_\_\_\_\_

B. EIN: \_\_\_\_\_

C. Physical Address: \_\_\_\_\_

D. Mailing Address (if different): \_\_\_\_\_

E. Phone Number: \_\_\_\_\_

F. E-mail: \_\_\_\_\_

G. Website: \_\_\_\_\_

2. Please provide a contact person for the company:

Name	Title
_____	
Address, City, State, Zip Code	
_____	
Daytime Phone	Email
_____	_____

3. Solicitor company is operating as:

☐ Individual ☐ Sole Proprietor ☐ Corporation ☐ Partnership ☐ Other: \_\_\_\_\_

**\*\* Companies who have a principal place of business outside the state of South Carolina, who do not have a registered agent in South Carolina, may elect to use the Secretary of State for its registered agent.**

Name	_____		
Street Address (PO Box cannot be accepted)	City	State	Zip Code
_____	_____	_____	_____
Organized in the State of:	Date organized: _____		
_____	_____		

Registration Application, PFR Counsel, revised August 2013

Required by S.C. Code  
§ 33-56-110

Customer:  
Professional Fundraising  
Counsel

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Registration Application for a Commercial Co-venturer

## Deliverable No. 11

- ▶ The annual registration fee is \$50.00.
- ▶ The registration application must be renewed each year that the commercial co-venturer is active in South Carolina.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION  
**REGISTRATION APPLICATION  
COMMERCIAL CO-VENTURER**

Filing Instructions

- All lists, attachments and documents requested in this application must accompany the application or it will be returned for correction—they are not optional.
- This application must be signed by the CEO/President and CFO/Treasurer. If the persons signing this form are not listed as currently holding those positions, this form will be returned for correction.
- Include the \$50.00 filing fee, payable to South Carolina Secretary of State, with this application.
- Please contact our office with any questions regarding this form at 803-734-1790 or [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- Mail to: South Carolina Secretary of State, Public Charities Division, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

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Check one: ☐ Initial Registration ☐ Renewal Fundraiser ID: \_\_\_\_\_  
(Renewal only)

1. Legal name of company: \_\_\_\_\_  
A. DBA (if applicable): \_\_\_\_\_  
B. EIN: \_\_\_\_\_  
C. Principal address: \_\_\_\_\_  
D. Mailing address (if different): \_\_\_\_\_  
E. Phone Number: \_\_\_\_\_  
F. E-mail: \_\_\_\_\_  
G. Website: \_\_\_\_\_

2. Please provide a contact person for the company:  
Name \_\_\_\_\_ Title \_\_\_\_\_  
Address, City, State, Zip Code \_\_\_\_\_  
Daytime Phone \_\_\_\_\_ Email \_\_\_\_\_

3. Company is operating as:  
☐ Sole Proprietor ☐ Corporation ☐ Partnership ☐ LLC ☐ Other: \_\_\_\_\_  
Organized in the State of: \_\_\_\_\_ Date organized: \_\_\_\_\_

4. Registered agent:  
Name \_\_\_\_\_  
Street Address (PO Box cannot be accepted) \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**\*\* Companies who have a principal place of business outside the state of South Carolina, and who do not have a registered agent in South Carolina, may elect to use the Secretary of State for its registered agent.**

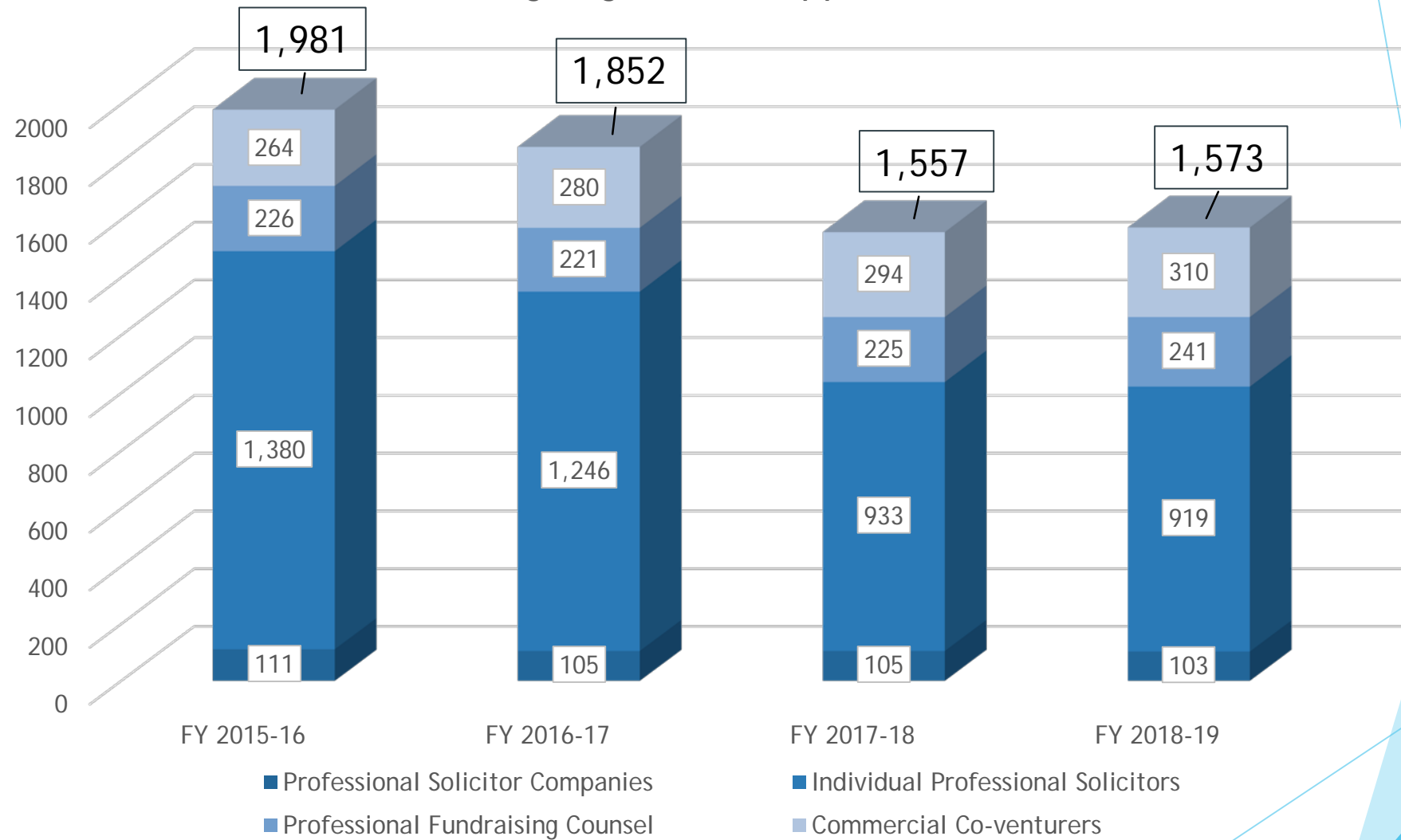
Registration Application, Commercial Co-venturer, Revised September 2015

Required by S.C. Code  
§ 33-56-110

Customer:  
Commercial Co-venturers

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

## Number of Professional Fundraisers Filing Registration Applications



# Notices of Solicitation & Fundraising Contracts

## Deliverable No. 12



- ▶ Professional solicitor companies, professional fundraising counsel, and commercial co-venturers must file copies of their fundraising contracts with the Division of Public Charities at least 10 days prior to beginning any solicitation activity or activity contemplated by the contract in South Carolina.

Required by S.C. Code  
§ 33-56-70

Customer:  
Professional Solicitors;  
Professional Fundraising  
Counsel; Commercial Co-  
venturers

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)



# Notices of Solicitation & Fundraising Contracts

## Deliverable No. 12

- ▶ Professional solicitor companies and commercial co-venturers must file a Notice of Solicitation along with their contract, which clearly states the nature of the solicitation campaign, dates of the solicitation campaign, and terms of payment and remittance under the contract.

Required by S.C. Code  
§ 33-56-70

Customer:  
Professional Solicitors;  
Professional Fundraising  
Counsel; Commercial Co-  
venturers

SOUTH CAROLINA SECRETARY OF STATE PUBLIC CHARITIES DIVISION NOTICE OF SOLICITATION PROFESSIONAL FUNDRAISING COMPANY - SOLICITOR	
<b>Filing Instructions</b>	
<ul style="list-style-type: none"><li>A copy of the fundraising contract must be filed with this Notice of Solicitation no less than 10 days prior to the start of any solicitation in South Carolina.</li><li>Please contact our office with any questions regarding this form at 803-734-1790 or <a href="mailto:charities@sos.sc.gov">charities@sos.sc.gov</a>.</li><li>Mail to South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.</li><li>Please type or print clearly.</li></ul>	
<b>Professional Fundraising Company Registered with the Secretary of State's Office</b>	<b>Charitable Organization Registered with the Secretary of State's Office</b>
Registration No. _____ Phone _____	Registration No. _____ Phone _____
Full Legal Name _____	Full Charity Name _____
DBA _____	DBA or Bingo name (if applicable) _____
Address _____	Address _____
City, State, Zip _____	City, State, Zip _____
<input type="checkbox"/> <b>INITIAL FILING OF FUNDRAISING CONTRACT</b>	
1. Solicitation in South Carolina: Start date: _____ End date: _____ or <input type="checkbox"/> is continuous.	
2. List name, residential address and phone number of each phone room director supervising the solicitation activities. Attach a list if necessary. _____	
3. List locations, including physical address, and telephone numbers from which solicitation activities, including telephone solicitations, will be conducted. Attach a list if necessary. _____	
4. Method of solicitation: <input type="checkbox"/> Phone <input type="checkbox"/> Mail <input type="checkbox"/> Door to Door <input type="checkbox"/> Print Media <input type="checkbox"/> Electronic Media <input type="checkbox"/> Bingo - Bingo Name: _____ <input type="checkbox"/> Other (describe): _____	
5. Minimum percentage of gross receipts guaranteed to charitable organization by contract _____, or other terms of remuneration _____	
<input type="checkbox"/> <b>AMENDMENT TO AN EXISTING FUNDRAISING CONTRACT (Complete 1 and 2a or 2b)</b>	
1. Original solicitation in South Carolina: Start date: _____ End date: _____ or <input type="checkbox"/> continuous.	
2a. <input type="checkbox"/> Parties are extending the end date to: _____ or <input type="checkbox"/> will be continuous.	
2b. <input type="checkbox"/> Other: Specify the text of the amendment (provide attachment if necessary): _____	
Notice of Solicitation, PFR Solicitor, revised April 2012	

**Legislative Intent:**  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Joint Financial Reports

## Deliverable No. 13

- ▶ Professional solicitor companies and commercial co-venturers must file a joint financial report with the Division of Public Charities within 90 days of the conclusion of a solicitation campaign, or within 90 days of the anniversary of a campaign lasting more than one year.
- ▶ The joint financial report must be signed by both the professional fundraiser and the charity, and include the following information:
  - ▶ The gross receipts from the campaign;
  - ▶ An itemization of expenses; and
  - ▶ The amount paid to the charitable organization.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION  
**JOINT FINANCIAL REPORT FOR A SOLICITATION CAMPAIGN  
PROFESSIONAL FUNDRAISING COMPANY**

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Filing Instructions

- This form must be filed within 90 days after a solicitation campaign has been completed or within 90 days after the anniversary of a solicitation campaign lasting more than one year.
- Please contact our office with any questions regarding this form at 803-734-1790 or [charities@sos.sc.gov](mailto:charities@sos.sc.gov).
- Mail to South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

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<b>Professional Fundraising Company Registered with the Secretary of State's Office</b> Registration No. _____ Phone _____ Full Legal Name _____ DBA _____ Address _____ City, State, Zip _____	<b>Charitable Organization Registered with the Secretary of State's Office</b> Registration No. _____ Phone _____ Full Charity Name _____ DBA _____ Address _____ City, State, Zip _____
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1. Solicitation in South Carolina: Start Date \_\_\_\_\_ End Date \_\_\_\_\_ or ☐ is continuous.
2. Method of solicitation:  
☐ Phone ☐ Mail ☐ Bingo ☐ Door to Door ☐ Print Media ☐ Electronic Media
3. Period covered by this report: \_\_\_\_\_ to \_\_\_\_\_  
☐ This contract has ended early

Enter revenue and expenses from all states, not just from South Carolina, if the campaign is multi-state.

4. Gross Revenue .....\$ \_\_\_\_\_
5. Total Expenses (Attach itemized list of all expenses) .....\$ \_\_\_\_\_  
**This form will be returned for correction and considered not received if an itemization of expenses is not attached.**
6. Amount paid to (or retained by) charitable organization .....\$ \_\_\_\_\_

I do hereby declare that the information contained herein is true and correct to the best of my knowledge, information and belief.

<b>Professional Fundraising Company</b> Name _____ Date _____ Title _____ Signature _____	<b>Charitable Organization</b> Name _____ Date _____ Title _____ Signature _____
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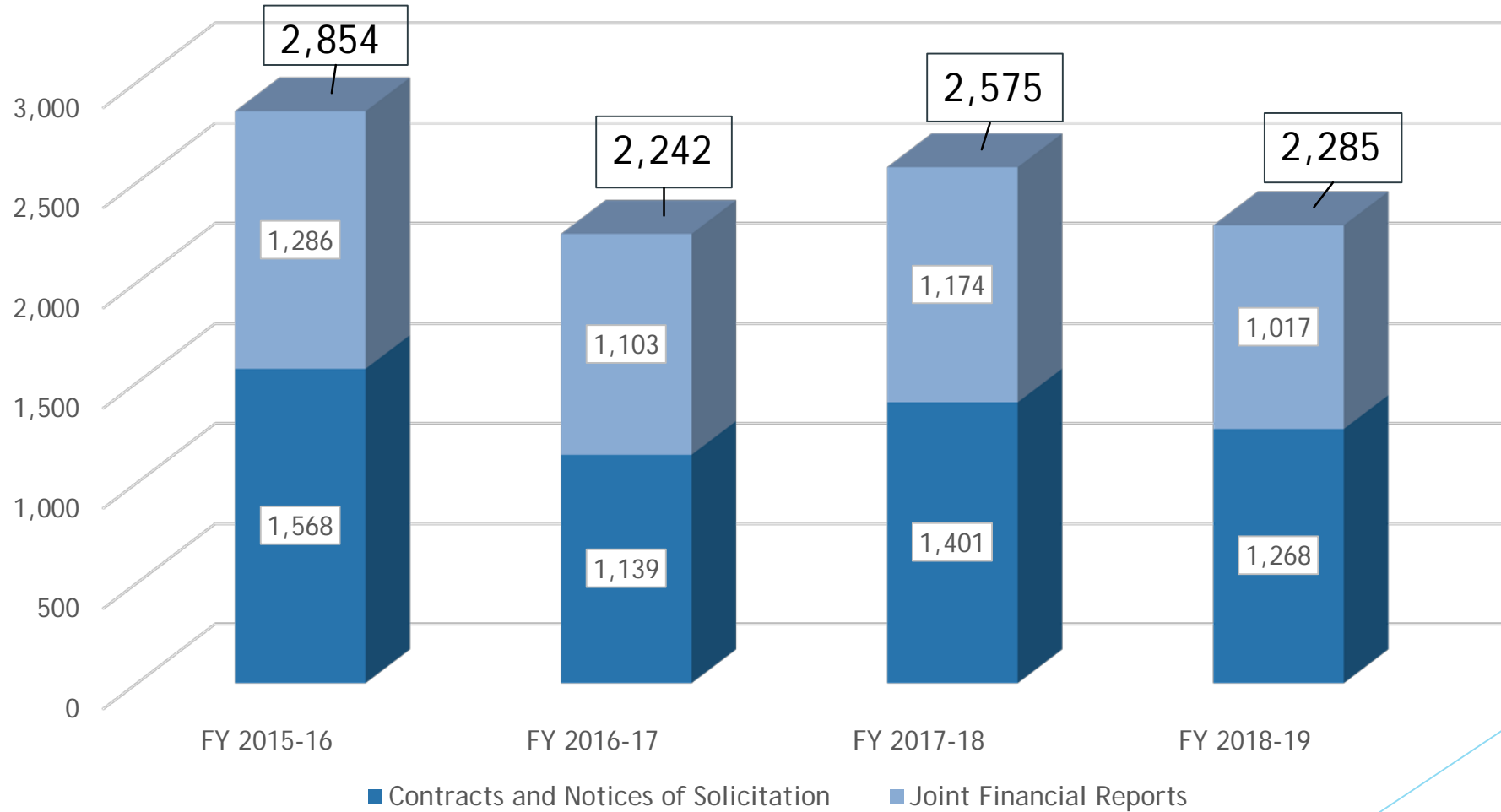
Joint Financial Return, revised March 2012

Required by S.C. Code  
§ 33-56-70

Customer:  
Professional Solicitors;  
Commercial Co-venturers

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

## Number of Filings of Contracts, Notices of Solicitation and Joint Financial Reports

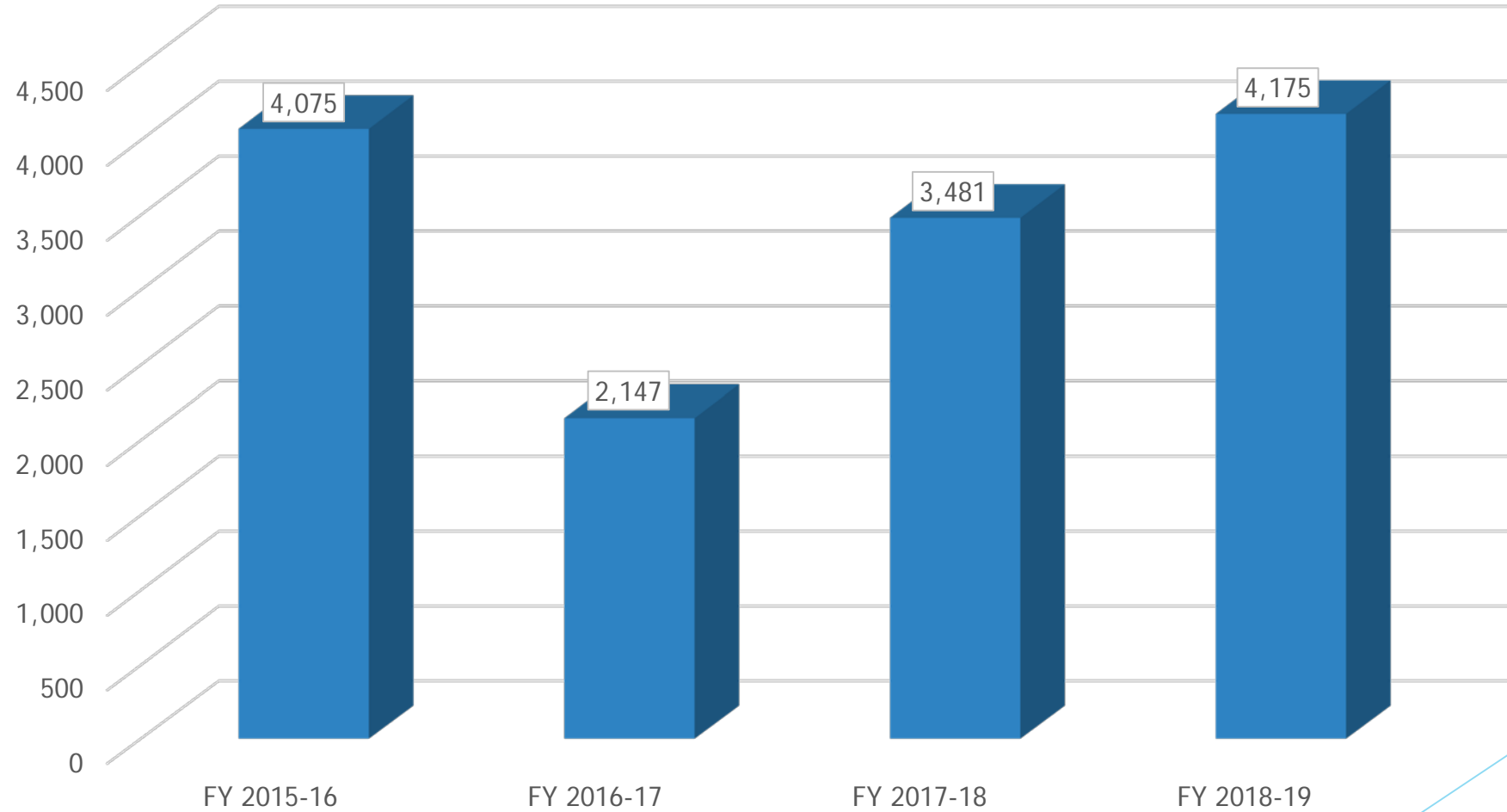


# Filing Rejections

## Deliverable No. 14

- ▶ If a filing for a charitable organization or professional fundraiser does not contain the information required under the Solicitation of Charitable Funds Act, then the Division of Public Charities will reject it.
- ▶ Division of Public Charities staff first contacts the organization by email to attempt to correct the issue.
- ▶ If the organization does not respond, staff will return the filing to the organization along with a notice explaining the deficiency. The notice requests that the organization correct the filing and return it to the Division of Public Charities within 15 days.
- ▶ Failure to correct and return the filing may result in the issuance of a notice of violation and/or administrative fine.

## Total Number of Rejections of Filings under Solicitation of Charitable Funds Act



# DIVISION OF PUBLIC CHARITIES: ENFORCEMENT

- ▶ The Secretary of State has the authority to investigate charities, professional fundraisers, and other persons for violations of the Solicitation of Charitable Funds Act.
- ▶ The Secretary of State can issue investigative subpoenas, issue notices of violation and administrative fines, suspend charities and professional fundraisers, and file petitions for injunctive relief with the South Carolina Administrative Law Court.



# Notice of Violation

## Deliverable No. 15

Required by S.C. Code  
§ 33-56-140(B)

Customers:  
Charitable Organizations;  
Professional Solicitors;  
Professional Fundraising  
Counsel; Commercial Co-  
venturers

- ▶ Once it has been determined that a violation of the Solicitation of Charitable Funds Act has occurred, the Division of Public Charities sends a Notice of Violation to the charitable organization or professional fundraiser alleged to have violated the Act.
- ▶ The Notice of Violation is sent by certified mail to the charitable organization or professional fundraiser's last known address.
- ▶ Upon receipt of the Notice of Violation, the organization or professional fundraiser has 15 days to remedy the violation.

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Notice of Administration Fine

## Deliverable No. 16

- ▶ If the charitable organization or professional fundraiser does not remedy the violation within 15 days of receipt of the notice, the Division of Public Charities issues a Notice of Administrative Fine against the charitable organization or professional fundraiser.
- ▶ The Notice of Administrative Fine is sent by certified mail to the charitable organization or professional fundraiser's last known address.
- ▶ Upon receipt of the Notice of Administrative Fine, the charitable organization or professional fundraiser has 30 days to pay the fine or file an appeal with the Administrative Law Court.

Provided under S.C. Code  
§§ 33-56-60(E), -70(G),  
-75(D), -90(C), -110(H),  
-140(B)

Customers:  
Charitable Organizations;  
Professional Solicitors;  
Professional Fundraising  
Counsel; Commercial Co-  
venturers

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)



# Notice of Administration Fine

## Deliverable No. 16

- ▶ Under the Solicitation of Charitable Funds Act, the maximum fine is \$2,000.00 for each separate violation.
- ▶ Fines for certain filing violations are calculated at a rate of \$10.00 per day late, not to exceed \$2,000.00. These violations include late annual financial reports, late professional fundraiser violations, late contracts, and late joint financial reports.
  - ▶ For these fines, the Division of Public Charities will send an initial Notice of Administrative Fine that notifies the recipient that the fine has begun accruing. Once the late filing is submitted or 200 days have passed (at which point the maximum fine of \$2,000.00 is assessed), the Division of Public Charities will send a Notice of Administrative Fine Invoice.

Provided under S.C. Code  
§§ 33-56-60(E), -70(G),  
-75(D), -90(C), -110(H),  
-140(B)

Customers:  
Charitable Organizations;  
Professional Solicitors;  
Professional Fundraising  
Counsel; Commercial Co-  
venturers

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Notice of Suspension

## Deliverable No. 17

- ▶ If the charitable organization or professional fundraiser does not pay the fine or file an appeal with the Administrative Law Court, the Division of Public Charities issues a Notice of Suspension to the charitable organization or professional fundraiser.
- ▶ The Notice of Suspension is sent by certified mail to the charitable organization or professional fundraiser's last known address.
- ▶ Upon receipt of the Notice of Suspension, the charitable organization or professional fundraiser has 30 days to file an appeal with the Administrative Law Court.

Provided under S.C. Code  
§ 33-56-140(E)

Customers:  
Charitable Organizations;  
Professional Solicitors;  
Professional Fundraising  
Counsel; Commercial Co-  
venturers

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

## Notice of Violation

- An organization has 15 days after receipt of the Notice of Violation to cease or remedy the violation before a fine is issued.

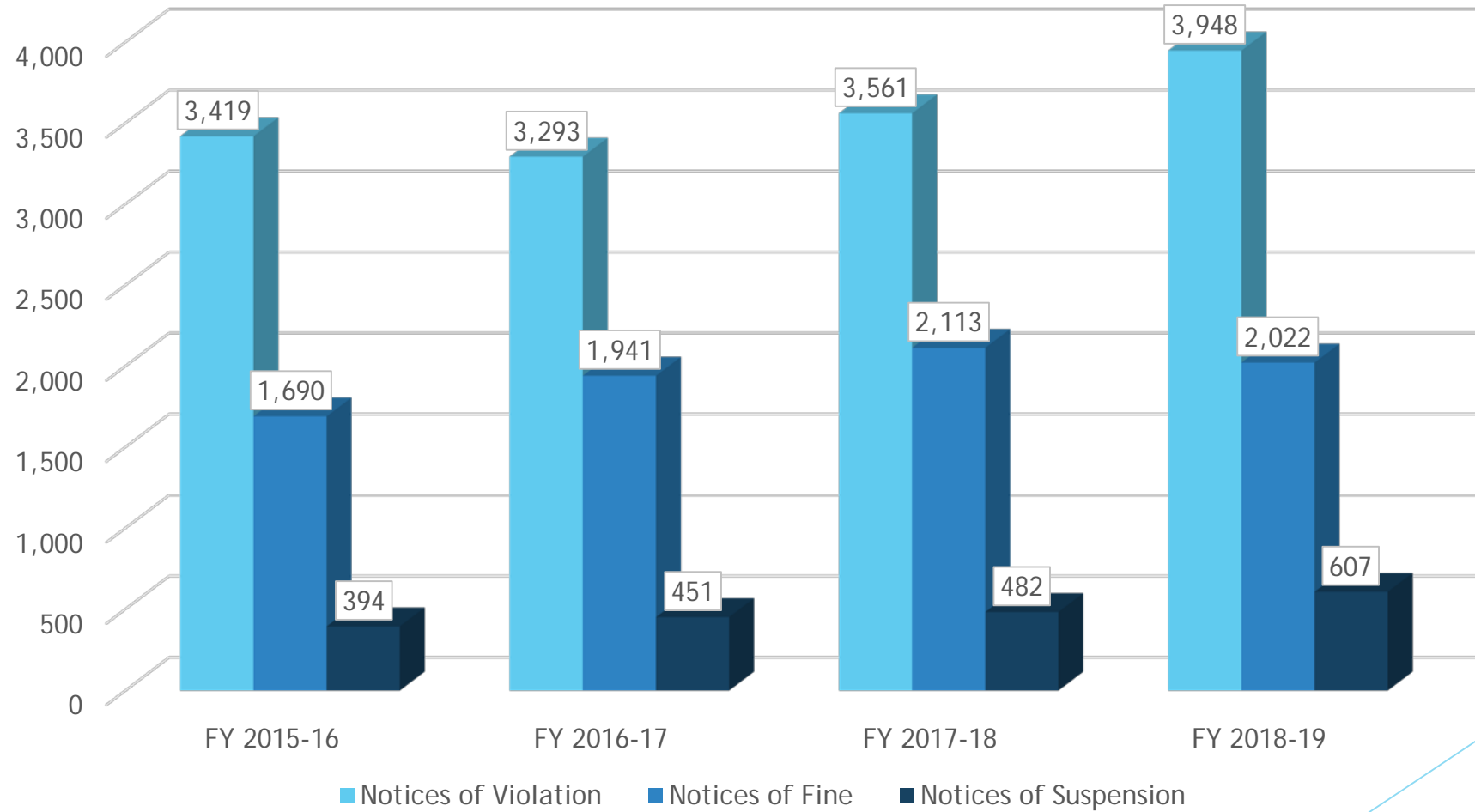
## Notice of Administrative Fine

- Upon receipt of the Notice of Fine, the organization has 30 days to pay the fine or file an appeal with the Administrative Law Court.

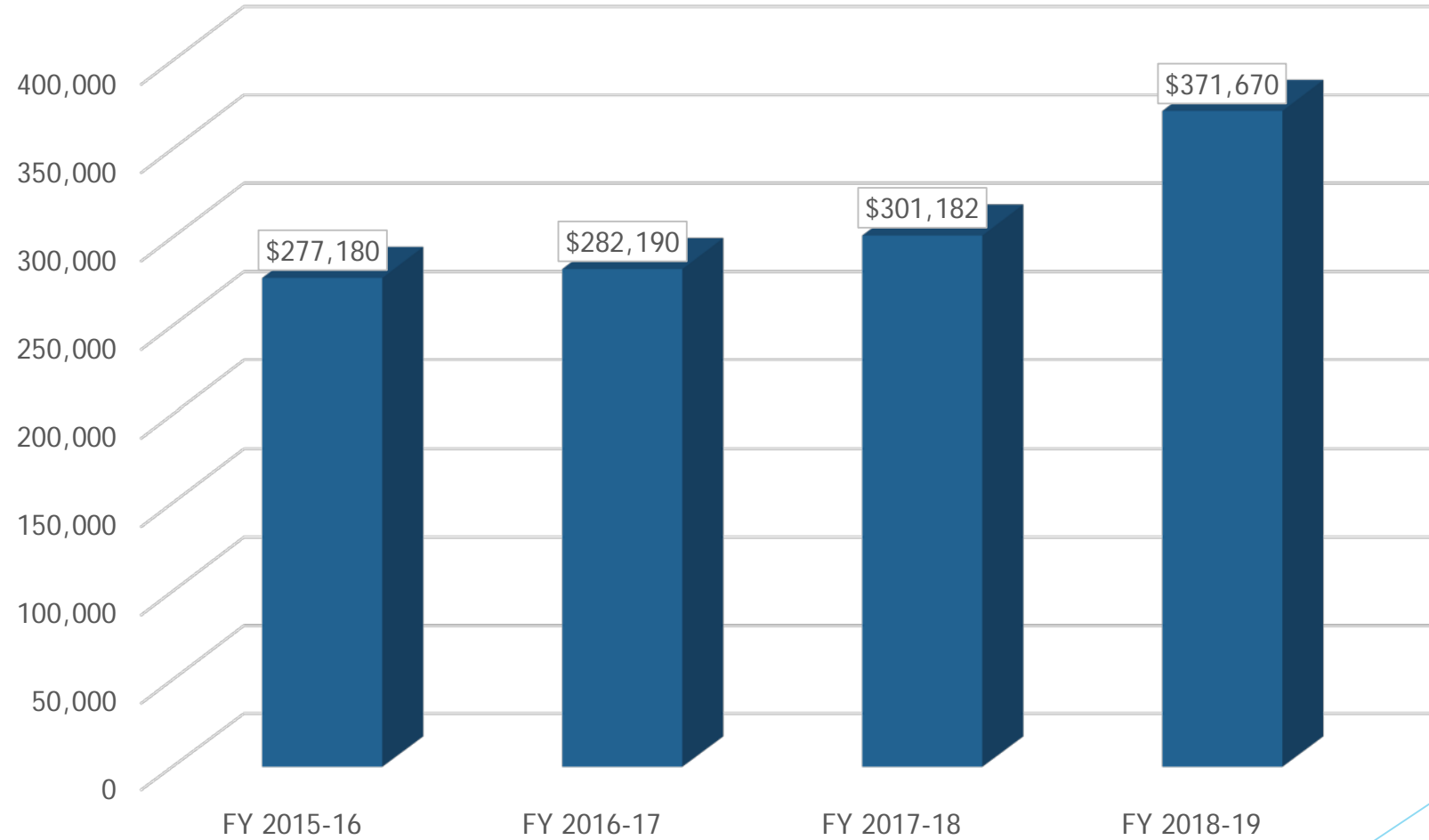
## Notice of Suspension

- If the organization does not pay the fine or file an appeal, the Division of Public Charities may suspend its registration.

## Number of Notices Issued Against Charitable Organizations and Professional Fundraisers



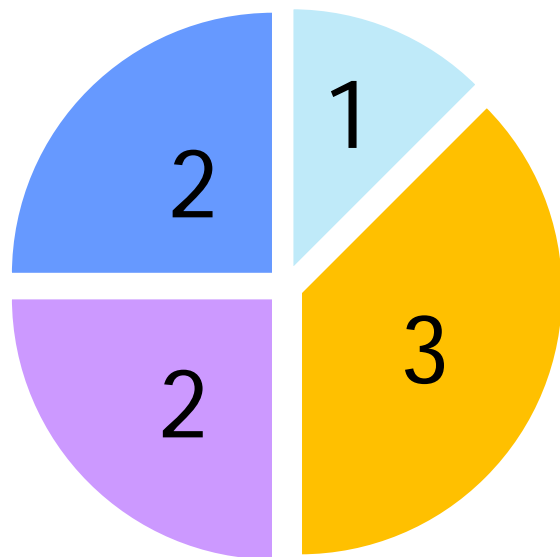
## Total Fine Revenue Collected from Enforcement of Solicitation of Charitable Funds Act



# Appeal of Administrative Action

## Deliverable No. 18

Appeals Filed under Solicitation of  
Charitable Funds Act



■ FY 2015-16 ■ FY 2016-17 ■ FY 2017-18 ■ FY 2018-19

A charitable organization, professional fundraiser, or other person who has been assessed an administrative fine, or who has had their registration suspended or rejected, may file an appeal with the Administrative Law Court within 30 days of receipt of the certified notice.

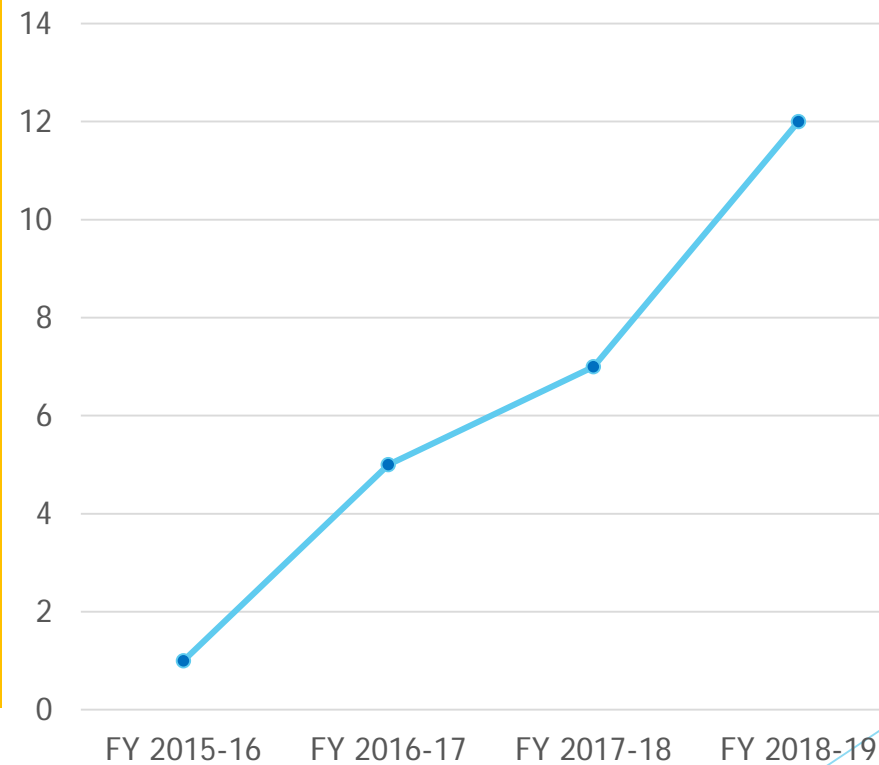
Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be  
solicited in S.C. (1994 Act.  
No. 461)

# Petition for Injunctive Relief

## Deliverable No. 19

The Secretary of State may bring an action before the Administrative Law Court to enjoin a charitable organization, professional fundraiser, or other person from violating the Solicitation of Charitable Funds Act, or against a charitable organization or professional fundraiser who has been suspended for failure to pay an administrative fine.

Number of Injunctions Filed



Provided under S.C.  
Code §§ 33-56-140(C),  
-140(E)

Customers:  
Charitable  
Organizations;  
Professional Solicitors;  
Professional  
Fundraising Counsel;  
Commercial Co-  
venturers; Other  
Persons Who Have  
Violated Solicitation of  
Charitable Funds Act

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be  
solicited in S.C. (1994 Act.  
No. 461)

# Charitable Solicitation Complaint Form

## Deliverable No. 20

Provided under S.C. Code  
§§ 33-56-140(A), -160(A),  
§ 33-57-160(A)

Customers:  
General Public

- ▶ In May 2017, the Secretary of State launched its online charitable solicitation complaint form, in order to make it easier for customers to file a complaint regarding a charitable organization, professional fundraiser, or nonprofit raffle.
- ▶ Customers may also print out a paper form and mail it to the Secretary of State's Office.



South Carolina Secretary of State

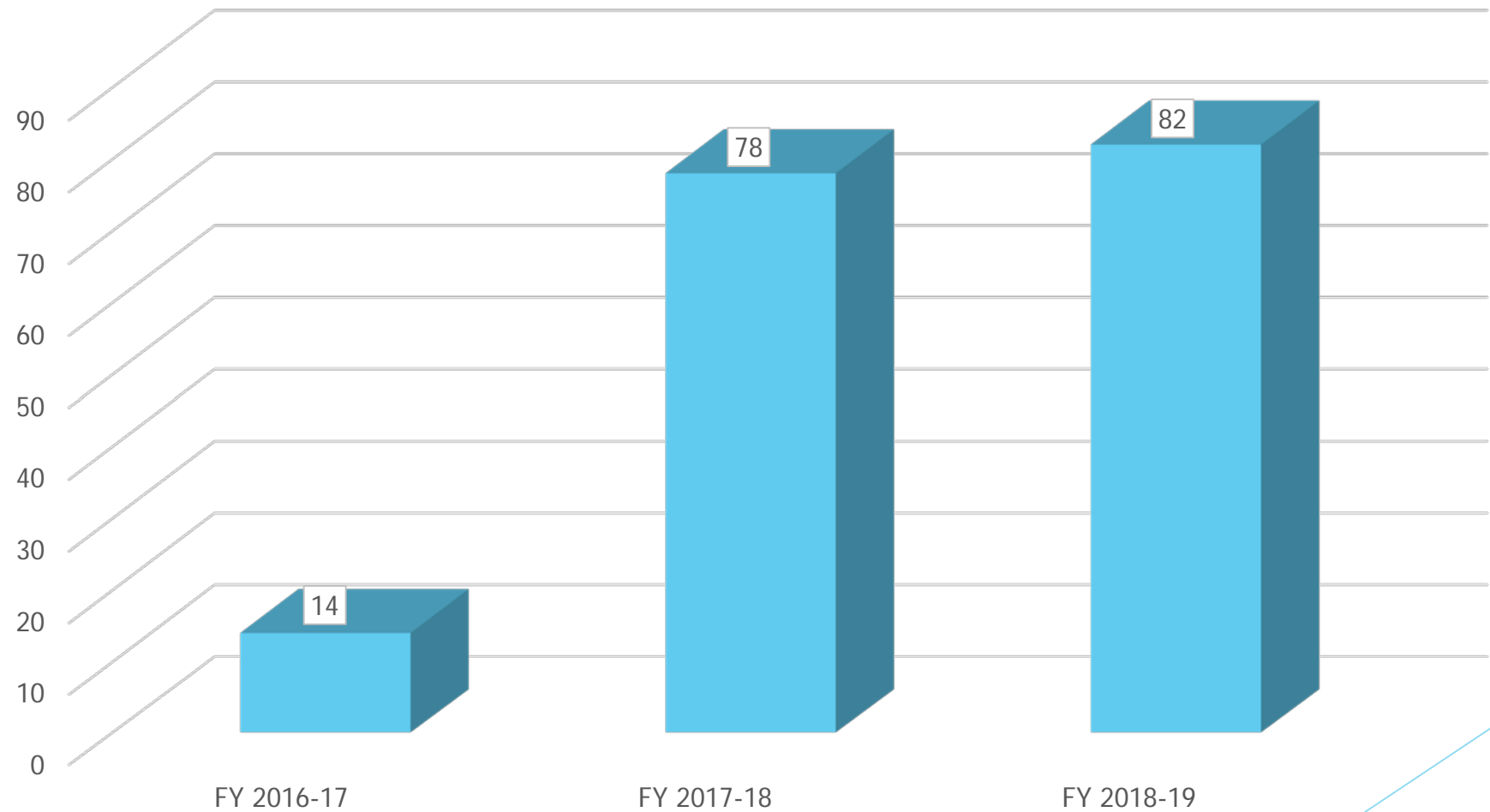
# Charitable Solicitation Complaint

### Legislative Intent:

Regulate manner, conditions, and procedures under which charitable funds may be solicited in S.C. (1994 Act. No. 461); Only qualified tax-exempt entities, which are organized and operated for charitable purposes and which dedicate raffle proceeds to charitable purposes, shall operate and conduct raffles. [Section 33-57-100(B)]



Number of Complaints Received through the  
Online Charitable Solicitation Complaint Form



# Investigations of Charitable Organizations & Professional Fundraisers

## Deliverable No. 21

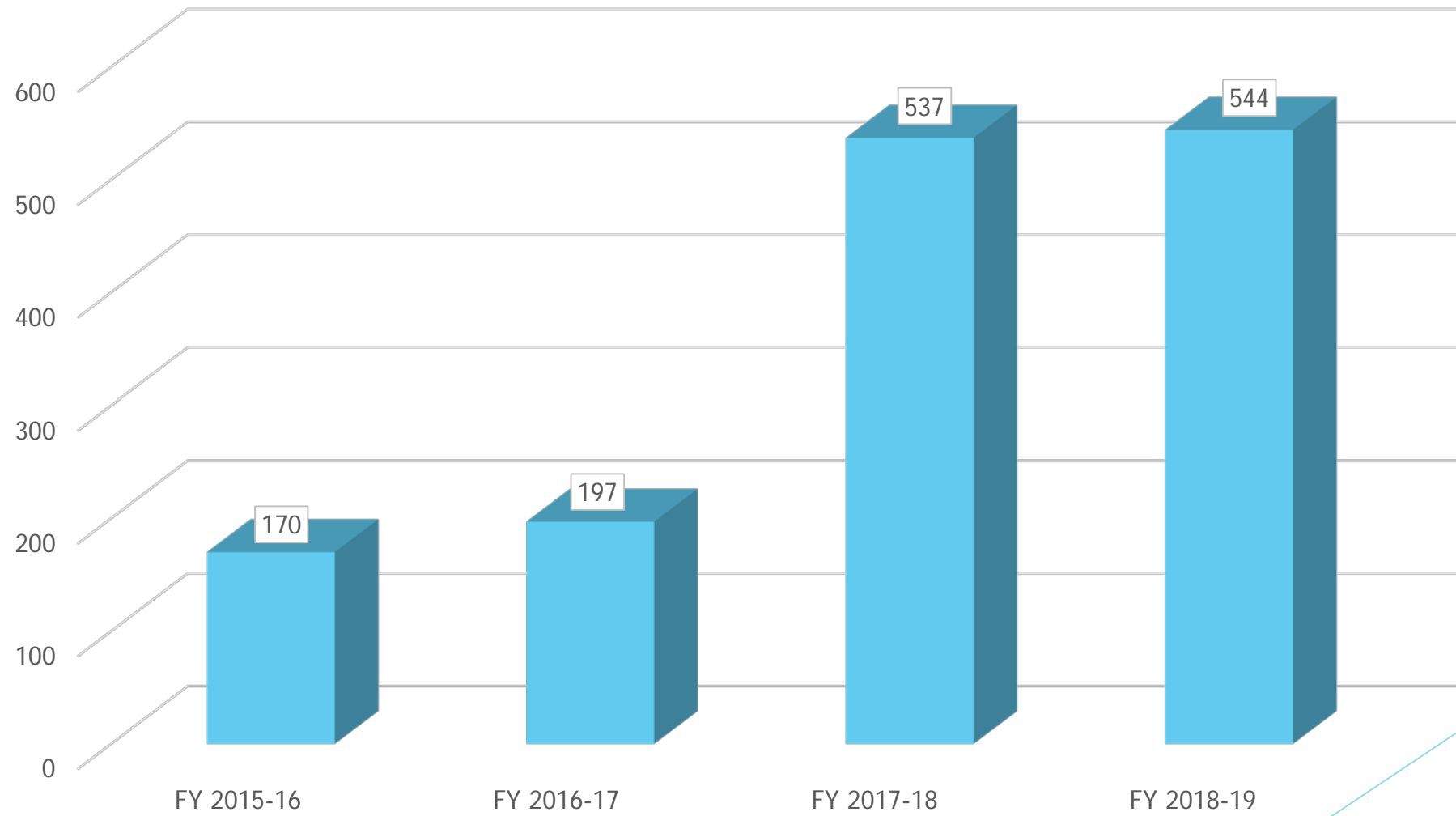
- ▶ In addition to receiving complaints through the online system, the Investigations Division receives and investigates inquiries from law enforcement, other state and federal agencies, and the media.
- ▶ The Investigations Division also reviews and audits the following to determine whether organizations are in violation of the registration requirements of the Solicitation of Charitable Funds Act:
  - ▶ IRS Exempt Organization Master List
  - ▶ Newly Formed Nonprofit Corporations
  - ▶ Expired Charity List
  - ▶ Suspended Charity List
  - ▶ Media Reports

Provided under S.C. Code  
§ 33-56-140(A)

Customers:  
Charitable Organizations;  
Professional Solicitors;  
Professional Fundraising  
Counsel; Commercial Co-  
venturers

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be  
solicited in S.C. (1994 Act. No.  
461)

## Number of Investigations Opened



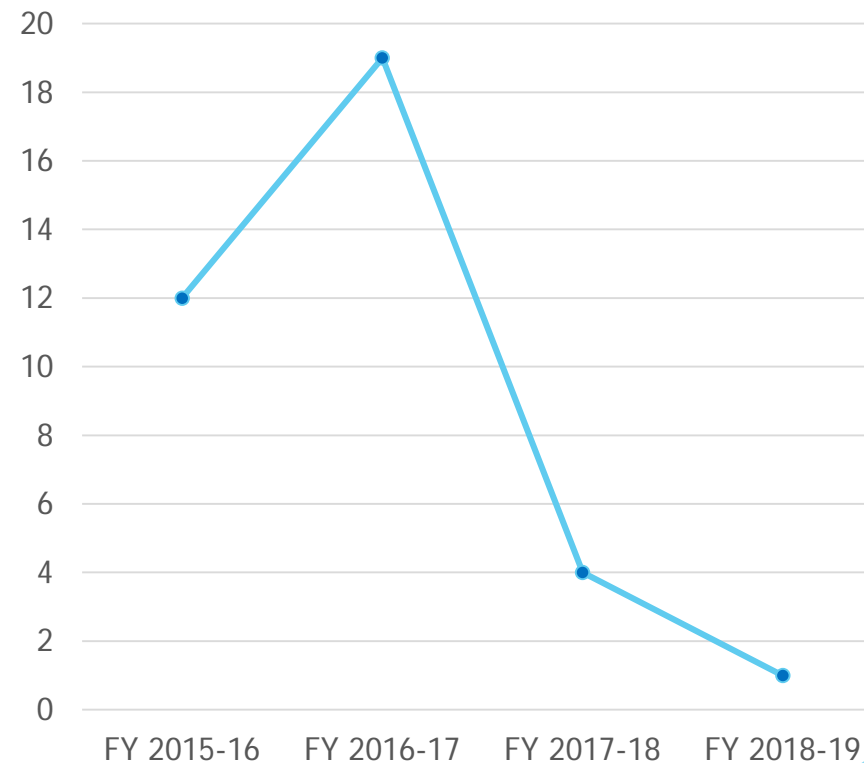
Customers:  
Charitable Organizations;  
Professional Fundraisers;  
Other Persons Providing  
Services to Organizations  
Engaged in Charitable  
Solicitation

# Investigative Subpoenas

## Deliverable No. 22

The Secretary of State may subpoena or audit persons and require the production of documents to aid in the investigation of alleged violations of the Solicitation of Charitable Funds Act.

Number of Subpoenas Issued



Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Multistate Enforcement Actions & Initiatives

## Deliverable No. 23

- ▶ Under Section 33-56-190, the Secretary of State may share information and engage in joint enforcement actions and public information initiatives with other states and agencies.
- ▶ Because multiple states can pool resources and reach wider audiences, multistate actions make a greater impact in combating charitable solicitation fraud.



Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

*Two recent multistate actions involving all 50 states, the District of Columbia, the Federal Trade Commission and other U.S. Territories were the Cancer Fund of America Multistate (announced in 2015) and Operation Donate with Honor (announced in 2018).*



*May 19, 2015 - Secretary Hammond addresses reporters in Washington, DC following a press conference where it was revealed that four sham cancer charities had bilked more than \$187 million from donors nationwide. The multi-state action, which included the SC Secretary of State's Office, represents one of the largest such cases in charity enforcement history.*

## Operation ★ Donate with Honor

**Which veterans group  
would you donate to?**

American Disabled Veterans Foundation

National Vietnam Veterans Foundation

Healing American Heroes, Inc.

Veterans Fighting Breast Cancer

Military Families of America

VietNow National Headquarters, Inc.

Foundation for American Veterans, Inc.

Healing Heroes Network

Help the Vets, Inc.

**They have all been  
sued for lying to donors.**

**Don't depend on the name.**

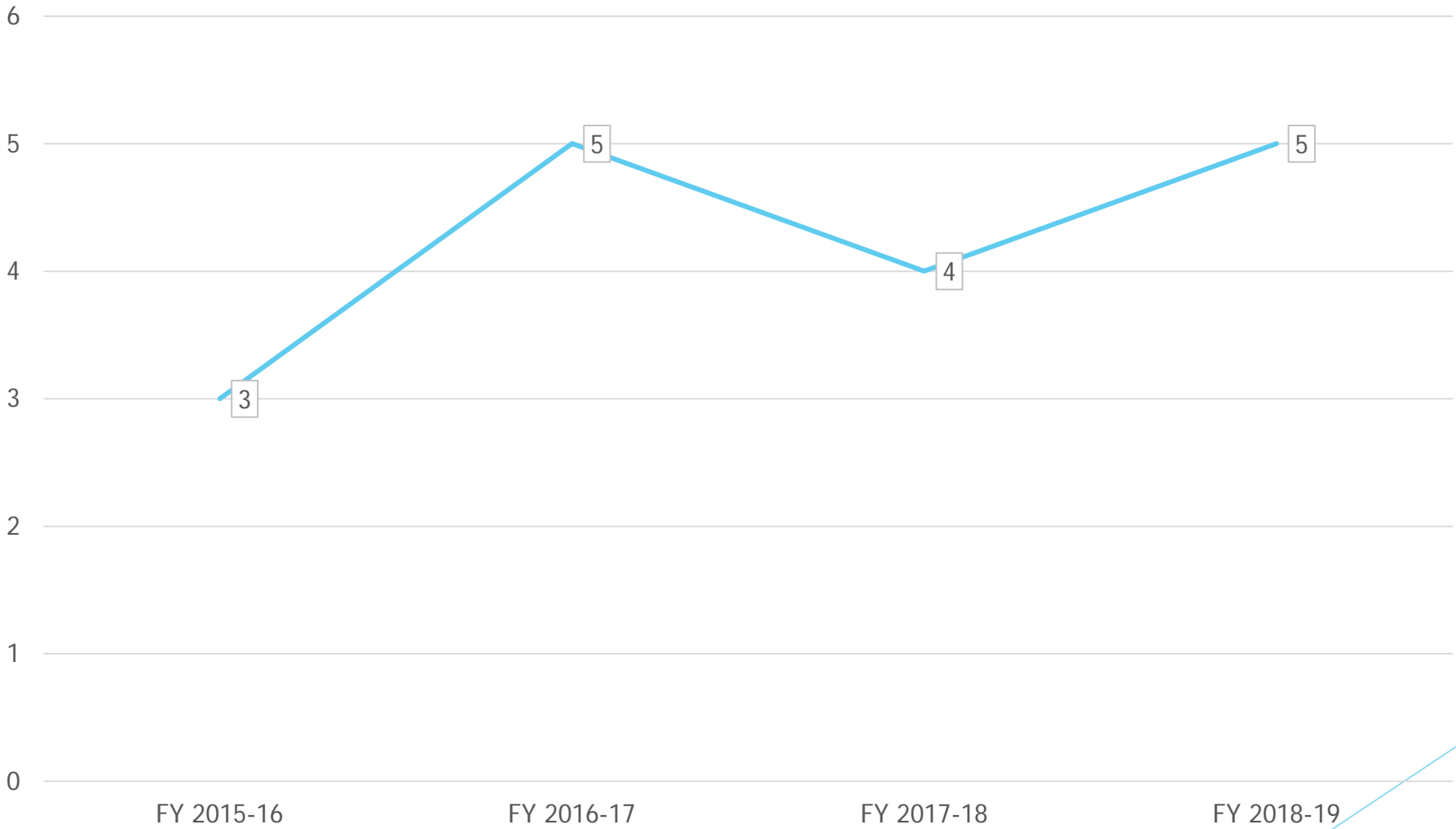
**Do your research.**

**Then donate.**



[ftc.gov/charity](https://ftc.gov/charity)

# Multistate Enforcement Actions and Public Education Initiatives



*\*Some multistate actions spanned more than one fiscal year.*

# Referral of Violations to Attorney General

## Deliverable Nos. 24 & 25

Required by Provisos 96.2  
and 96.3; S.C. Code §§ 33-  
56-90, -120

Customer:  
Attorney General

- ▶ Under Provisos 96.2 and 96.3, the Secretary of State must refer disclosure and misrepresentation violations that result in fines of \$10,000.00 or more to the Attorney General.
- ▶ Given the existing working relationship between the two agencies, the Secretary of State's Office does not believe this mandate is needed. Staff members of both agencies frequently communicate about issues involving charitable organizations and nonprofits, and the Secretary of State refers any case that may require criminal investigation to the Attorney General, regardless of whether our office has issued a fine under the Solicitation of Charitable Funds Act.
- ▶ Since they were first enacted in 2014, only one case has met the criteria for referral under the provisos. The case arose in 2014 and did not result in criminal prosecution.

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)



# Bingo Report to Department of Revenue

## Deliverable No. 26

Provided under S.C. Code  
§ 33-56-80

Customer:  
Department of Revenue

- ▶ In order to assist the Department of Revenue with enforcement of the Bingo Tax Act (Section 12-21-3910 et. seq.), the Division of Public Charities sends a monthly report on the registration status of charitable organizations and professional solicitors engaged in charitable bingo.
- ▶ Bingo promoters that conduct bingo games for charitable organizations must be registered with the Division of Public Charities as a professional solicitor.



Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# DIVISION OF PUBLIC CHARITIES: PUBLIC EDUCATION

- ▶ Under Section 33-56-80, the Secretary of State is required to publish and disseminate information to the public regarding the requirements and enforcement of the Solicitation of Charitable Funds Act.
- ▶ Educating potential donors about wise charitable giving is one of the best ways to combat charity fraud.




# Charity Search Engine & Suspended List


## Deliverable Nos. 27 & 28

Provided under S.C. Code  
§ 33-56-80

Customer:  
General Public

- ▶ The Secretary of State's Office provides a Charity Search feature on its website that indicates whether a charity is registered to solicit in South Carolina, and provides financial data from the charity's last annual financial report.
- ▶ The Secretary of State also provides a list of suspended charities that is updated daily.



 **South Carolina**  
**Secretary of State**  
Mark Hammond

### Search Charities

Welcome to the Secretary of State's Charity Search Webpage. You may use this search engine to look up charities by name and to see financial information filed with the Secretary of State's Division of Public Charities. Please note that all information provided is based on the most recent registration statement and annual financial report filed by the charitable organization with the Secretary of State.

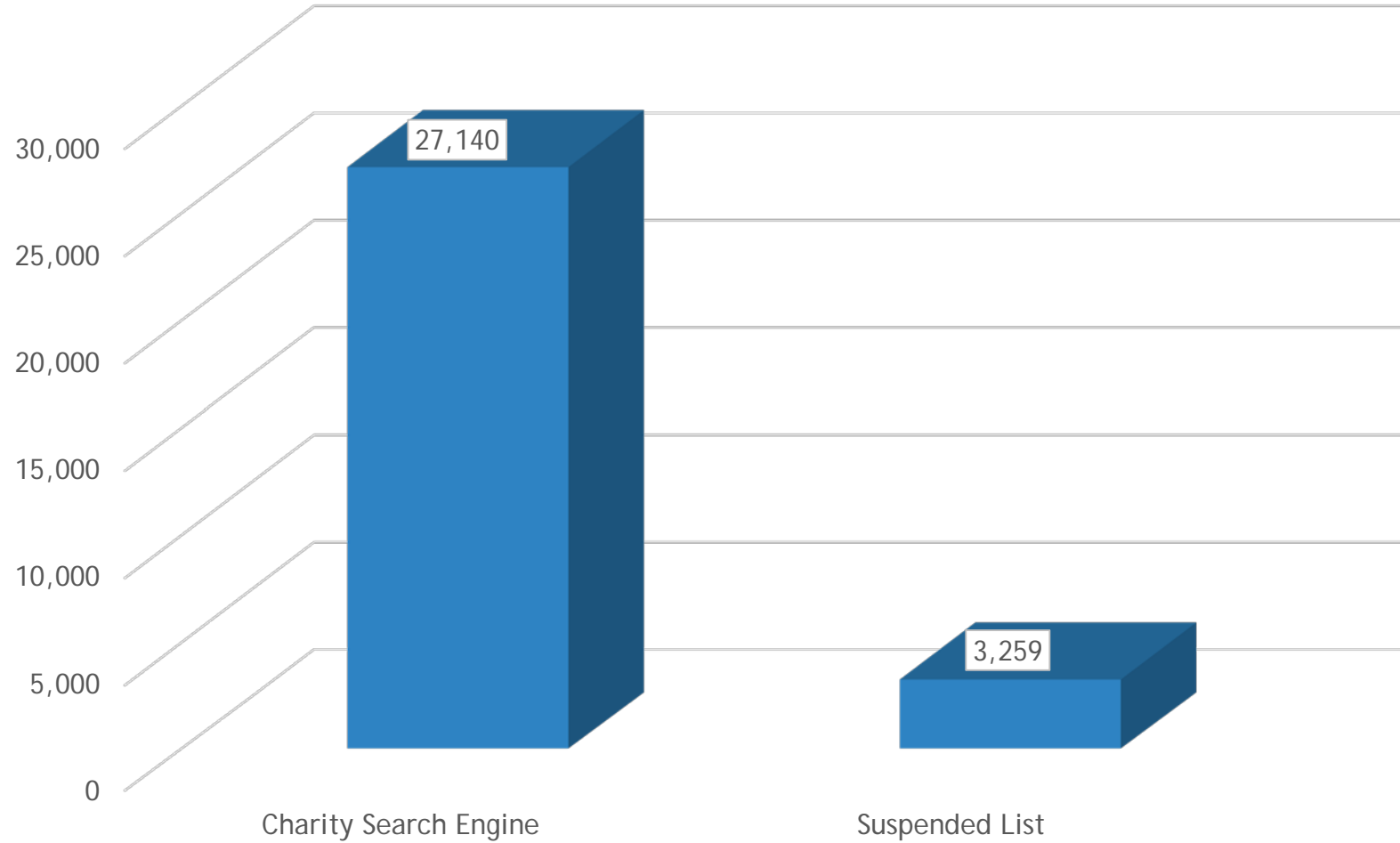
For additional information on charitable organizations, including filing requirements, please visit the Division of Public Charities Webpage.

For your convenience, the [Suspended Charities](#) report may be downloaded in PDF format.

Name of Charity:

**Legislative Intent:**  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

## Number of Unique Pageviews in FY 2017-18 According to Google Analytics



# Angel Announcement

## Deliverable No. 29

Provided under S.C. Code  
§ 33-56-80

Customer:  
General Public



- ▶ Every year, Secretary Hammond recognizes 10 “Angel” charities in order to raise awareness about wise charitable giving.
- ▶ In order to be recognized as an Angel, a charity must meet the following criteria:
  - ▶ The charity must devote 80% or more of its expenses to program services.
  - ▶ The charity must have been in existence for three or more years.
  - ▶ The charity must make good use of volunteer services and not rely heavily on grants.
  - ▶ The charity must be in compliance with the Solicitation of Charitable Funds Act.

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)



# Wise Giving & Professional Solicitor Report

## Deliverable No. 30

Provided under S.C. Code  
§ 33-56-80

Customer:  
General Public

- ▶ In conjunction with the Angel Announcement, the Secretary of State's Office releases a "Wise Giving & Professional Solicitor Report."
- ▶ The report provides financial data on all joint financial reports filed by professional solicitors in the preceding calendar year, as well as data from current fundraising contracts.

### 2017-2018 WISE GIVING & PROFESSIONAL SOLICITOR REPORT

*"As South Carolina's Secretary of State, I am responsible for protecting charitable donors and promoting accountability and transparency of charities and professional fundraisers through the enforcement of the Solicitation of Charitable Funds Act. It is my hope that members of the public will use this report to make informed decisions when it comes to charitable giving. South Carolinians continue to be some of the most generous donors in the country; however, each and every one of us needs to remain vigilant when supporting the causes we care about. Remember to check on the organizations that you are thinking of donating to, ask questions of those soliciting the donation, and notify the Secretary of State's Office if you have any concerns or complaints. Remember to give from the heart, but please give smart!"*



--Secretary of State Mark Hammond

#### Legislative Intent:

Regulate manner, conditions, and procedures under which charitable funds may be solicited in S.C. (1994 Act. No. 461)

**Secretary of State Mark Hammond**  
**Division of Public Charities Professional Solicitor Report**  
**Joint Financial Reports Filed January 1, 2017 through December 31, 2017**

<u>Charity</u>	<u>Fundraising Method</u>	<u>Date Report Filed</u>	<u>Start of Campaign</u>	<u>End of Campaign</u>	<u>Gross Receipts</u>	<u>Net Amount to Charity</u>	<u>Percentage to Charity</u>
<b>Professional Solicitor</b>							
<b>A.T. Still University of Health Sciences - Kirksville, MO</b>							
Ruffalo Noel Levitz, LLC	Phone	09/12/2017	01/17/2017	06/30/2017	\$12,480.13	(\$1,638.62)	-13.13%
<b>Achieving Wheelchair Equality – N. Charleston, SC</b>							
Harold T. Dukes - Bingo Promoter	Bingo	03/31/2017	01/01/2016	12/31/2016	\$356,459.90	(\$67,928.14)	-19.06%
Truck, Trailer & Equipment Sales, Inc.	Bingo	12/04/2017	09/15/2016	03/30/2017	\$208,607.20	(\$18,430.74)	-8.84%
<b>ActionAid U.S.A. - Washington, DC</b>							
Aria Communications Corporation d/b/a Support Services	Phone	01/03/2017	11/02/2015	10/31/2016	\$10,019.00	\$5,727.17	57.16%
Aria Communications Corporation d/b/a Support Services	Phone	12/27/2017	11/14/2016	10/31/2017	\$13,894.00	\$11,130.54	80.11%
<b>Administrators of the Tulane Educational Fund - New Orleans, LA</b>							
Ruffalo Noel Levitz, LLC	Phone, Print Media	03/13/2017	03/17/2016	12/31/2016	\$135,708.22	\$42,018.31	30.96%
<b>AFS-USA, Inc. – New York, NY</b>							
Aria Communications Corporation d/b/a Support Services	Phone	01/30/2017	11/15/2015	11/14/2016	\$41,200.00	\$16,437.49	39.90%
<b>Alliance Defending Freedom - Scottsdale, AZ</b>							
InfoCision, Inc.	Phone, Mail	11/01/2017	09/24/2016	08/31/2017	\$122,324.00	\$99,017.14	80.95%
MDS Communications Corporation	Phone	11/30/2017	10/28/2016	10/27/2017	\$201,672.00	\$84,834.00	42.07%

**Secretary of State Mark Hammond**  
**Division of Public Charities Professional Solicitor Report**  
Active Professional Solicitor Contracts as of November 1, 2018

<u>Professional Solicitor</u> <u>Charity</u>	<u>Fundraising</u> <u>Method</u>	<u>Contract</u> <u>Start Date</u>	<u>Contract</u> <u>End Date</u>	<u>Minimum Percentage Guaranteed to Charity</u> <u>or Other Terms of Remuneration</u>
<b>2150844 Ontario, Inc.—St. Catherines, Ontario, Canada</b> <b>d/b/a HCB Communications, HCB Canada</b>				
United Service Organizations, Inc.	Phone, Mail	07/31/2018	05/31/2019	1% minimum guaranteed to charity.
<b>911 Fundraising—Fort Mill, SC</b>				
Carolina Dive & Rescue	Door to Door	10/01/2015	10/01/2020	45% minimum guaranteed to charity.
<b>AAT, Inc.—Bluffton, SC</b> <b>d/b/a Off Island Thrift</b>				
Cancer Awareness Foundation	Thrift Store	03/15/2000	n/a	Net profits donated to charity after expenses paid.
<b>Aiken Bingo, Inc.—Charleston, SC</b>				
LBC Midland Valley Lions Club	Bingo	10/01/2011	n/a	Charity to receive \$1,000.00/monthly + 10% net available proceeds.
Louis D. Simmons American Legion Post 215 Inc.	Bingo	10/01/2010	n/a	Charity to receive \$1,000.00/monthly + 10% net available proceeds.
Magdalene House of Charleston	Bingo	11/01/2011	n/a	Charity to receive \$1,000.00/monthly + 10% net available proceeds.
United Veterans Association, Inc.	Bingo	10/01/2011	n/a	Charity to receive \$1,000.00/monthly + 10% net available proceeds.
<b>Angela Schwindel, Bingo Promoter—Myrtle Beach, SC</b> <b>d/b/a Big Bucks Beach Bingo LLC</b>				
Order Sons of Italy Myrtle Beach Lodge 2662	Bingo	10/01/2006	n/a	3% minimum guaranteed to charity.



# Wise Charitable Giving Brochure

Deliverable No. 31

The Secretary of State's Office distributes a Wise Charitable Giving brochure at public speaking engagements, and provides copies in its lobby and on its website.

*"Give from the heart,  
but please  
give smart."*

A guide to  
wise charitable giving



Mark Hammond  
South Carolina Secretary of State  
Public Charities Division  
Toll-free 1-888-242-7484  
[www.scsos.com/Public\\_Charities](http://www.scsos.com/Public_Charities)

How can you recognize  
unscrupulous charities?

## BEWARE!

**B**ills or invoices mailed to you from charities you've not pledge money to.

**E**vasive, vague answers to specific questions about the charity and how the money will be used.

**W**ords making up the charity's name that sound like a more well-known charity.

**A**void giving solicitors your credit card numbers.

**R**efusing to mail you further information. Requesting cash donations.

**E**mootional appeals and high-pressure tactics to get you to make a quick decision or feel guilty about not contributing.

Provided under S.C. Code  
§ 33-56-80

Customer:  
General Public

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Wise Charitable Giving Public Service Announcement

## Deliverable No. 32

Provided under S.C. Code  
§ 33-56-80

Customer:  
General Public

- ▶ During the holiday season, the Secretary of State's Office runs public service announcements on television and radio to raise awareness about wise charitable giving.
- ▶ The public service announcements also notify viewers and listeners that they may file a complaint with the Secretary of State's Office using the Online Charitable Solicitation Complaint form.



Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461)

# Wise Charitable Giving Presentations

## Deliverable No. 33

- ▶ Each year, the Secretary of State's Office conducts wise charitable giving presentations throughout the state.
- ▶ Audiences include professional associations, civic groups, social clubs and other organizations with an interest in the Solicitation of Charitable Funds Act.



Provided under S.C. Code  
§ 33-56-80; § 33-57-110,  
-120, -130, -140, -150, -  
160

Customers:  
General Public;  
Professional Associations;  
Civic Organizations; Other  
Entities

Legislative Intent:  
Regulate manner, conditions,  
and procedures under which  
charitable funds may be solicited  
in S.C. (1994 Act. No. 461); Only  
qualified tax-exempt entities,  
which are organized and  
operated for charitable purposes  
and which dedicate raffle  
proceeds to charitable purposes,  
shall operate and conduct  
raffles. [Section 33-57-100(B)]

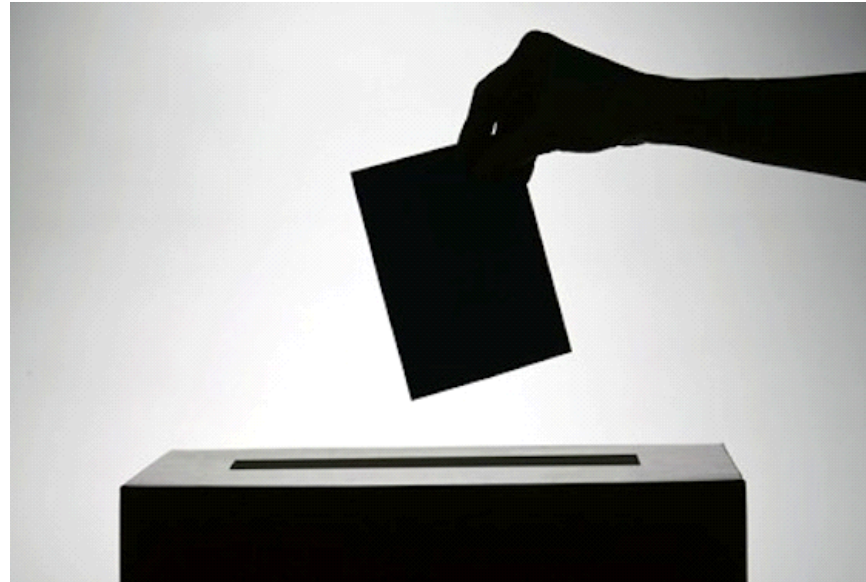
# DIVISION OF PUBLIC CHARITIES: RAFFLES



- ▶ In addition to administering the Solicitation of Charitable Funds Act, the Division of Public Charities also regulates nonprofit raffles for charitable purposes, as provided under Chapter 57, Title 33 (S.C. Code of Laws § 33-57-100, et. seq.)

# DIVISION OF PUBLIC CHARITIES: RAFFLES

- ▶ On November 4, 2014, South Carolina voters approved an amendment to the state constitution to allow nonprofit organizations to conduct raffles for charitable purposes.
- ▶ On March 5, 2015, the General Assembly ratified the constitutional amendment, and qualified nonprofits were able to legally hold raffles beginning on April 4, 2015.





# DIVISION OF PUBLIC CHARITIES: RAFFLES

- ▶ Section 33-57-110 defines “raffle” as a game of chance in which a participant is required to pay something of value for a ticket for a chance to win a prize, and the winner is determined by a random drawing or similar process in which all participants have an equal chance of winning.



# DIVISION OF PUBLIC CHARITIES: RAFFLES

- ▶ In order to hold a raffle, a nonprofit organization must be:
  - ▶ A tax-exempt organization, or an organization of an educational institution;
  - ▶ Operated for a charitable purpose; and
  - ▶ In compliance with the Solicitation of Charitable Funds Act.
- ▶ A nonprofit organization must meet all three of these criteria to legally conduct raffles in South Carolina.

# DIVISION OF PUBLIC CHARITIES: RAFFLES

- ▶ Nonprofit organizations which intend to conduct raffles may be required to register and file annual raffle financial reports with the Secretary of State.
- ▶ Whether registration is required depends on the types of raffles the organization conducts.
- ▶ For purposes of filing requirements, South Carolina law categorizes raffles as either exempt or nonexempt.



## EXEMPT AND NONEXEMPT RAFFLES AT A GLANCE

REQUIREMENTS/RESTRICTIONS	EXEMPT RAFFLES	NONEXEMPT RAFFLES	NOTES
Must file raffle registration form with Secretary of State.	No	Yes	An organization may conduct both exempt and nonexempt raffles if it registers with the Secretary of State.
Must file annual raffle financial report with Secretary of State.	No	Yes	If an organization conducts both exempt and nonexempt raffles, only nonexempt raffles must be included in the annual raffle financial report.
Restrictions on prize offerings	The prizes must be donated, noncash prize(s) valued at \$950.00 or less for the raffle event; -or- The raffle must be a fifty-fifty raffle in which the total proceeds do not exceed \$950.00.	Each individual prize must be valued at \$40,000.00 or less.  The total value of all prizes offered at a raffle event cannot exceed \$250,000.00.	For exempt fifty-fifty raffles, participants are limited to the members of the nonprofit organizations and their guests. This limitation does not apply to nonexempt fifty-fifty raffles.
Restrictions on number of raffles held	No more than one raffle every seven days.	Only four raffles per year.	
Must meet all of the statutory requirements for conducting raffles under §33-57-120(A).	Yes	Yes	These statutory requirements include: <ul style="list-style-type: none"> <li>• The nonprofit organization must be either a tax-exempt organization or a class, department or organization of an educational institution.</li> <li>• The nonprofit organization must be operated for one or more of the following purposes: religious; charitable; scientific; literary; educational; amateur sports (but not providing facilities or equipment); and prevention of cruelty to children or animals.</li> <li>• The nonprofit organization must be in compliance with the registration provisions of the Solicitation of Charitable Funds Act.</li> </ul>

# Nonprofit Raffle Annual Registration Form

## Deliverable No. 34

- ▶ If a nonprofit organization intends to conduct a nonexempt raffle, then it must file a raffle registration form.
- ▶ The annual registration fee is \$50.00.
- ▶ The raffle registration will expire 4 ½ months after the end of the nonprofit organization's fiscal year.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION

**ANNUAL RAFFLE REGISTRATION FORM**

Filing Instructions & Information

- Upon acceptance of this registration form, the applicant organization will be issued a letter confirming that it has registered with the Secretary of State for the purpose of conducting nonprofit raffles as provided under S.C. Code of Laws §§ 33-57-100, et. seq. This letter will be sent via email to the contact person listed below.
- Once accepted, this raffle registration shall expire on the 15<sup>th</sup> day of the 5<sup>th</sup> month, or 4 ½ months, after the end of the charitable organization's fiscal year. For example, if the organization's fiscal year runs from January 1<sup>st</sup> to December 31<sup>st</sup>, this registration will expire on May 15<sup>th</sup>. If the organization's fiscal year runs from July 1<sup>st</sup> to June 30<sup>th</sup>, this registration will expire on November 15<sup>th</sup>.
- **We do not accept this filing by fax or email;** you may register using our online filing system at [www.sos.sc.gov](http://www.sos.sc.gov), or you may mail this form to South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.
- This registration form must be accompanied by a filing fee of \$50.00 made payable to the Secretary of State.
- Please type or print clearly. You may attach additional pages as necessary.
- Please contact our office with any questions at 803-734-1790 or [charities@sos.sc.gov](mailto:charities@sos.sc.gov).

Check one: ☐ Initial Registration ☐ Renewal

Current Fiscal Year Dates \_\_\_\_\_ to \_\_\_\_\_  
(mo/day/year) (mo/day/year)

Federal Employer's Identification Number: \_\_\_\_\_ - \_\_\_\_\_ Raffle Registration ID: \_\_\_\_\_  
(Renewal only)

1. Legal Name of Organization: \_\_\_\_\_

a. Doing Business As (DBA) Names: \_\_\_\_\_  
(If applicable)

b. Former Names Used by the Charity: \_\_\_\_\_  
(If applicable)

c. Organization's Website: \_\_\_\_\_  
(If applicable)

d. Please provide a contact person for this organization:

Name \_\_\_\_\_ Title \_\_\_\_\_

Address, City, State, Zip Code \_\_\_\_\_

Daytime Phone \_\_\_\_\_ Email \_\_\_\_\_

2. Please describe the purpose for which this organization is organized and operated:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Annual Raffle Registration Form --Revised May 2016 Page 1 of 4

Required by S.C. Code  
§ 33-57-120

Customers:  
Nonprofit Organizations

### Legislative Intent:

Only qualified tax-exempt entities, which are organized and operated for charitable purposes and which dedicate raffle proceeds to charitable purposes, shall operate and conduct raffles. [Section 33-57-100(B)]

# Nonprofit Raffle Annual Financial Report

## Deliverable No. 35

- ▶ A nonprofit organization that registers to conduct nonprofit raffles must also file a raffle financial report.
- ▶ The raffle financial report is due 4 ½ months after the end of the nonprofit organization's fiscal year.
- ▶ There is no filing fee required to submit the raffle financial report.

**SOUTH CAROLINA  
SECRETARY OF STATE**  
PUBLIC CHARITIES DIVISION  
**ANNUAL RAFFLE FINANCIAL REPORT**

Filing Instructions

- The annual raffle financial report must be filed no later than the 15<sup>th</sup> day of the 5<sup>th</sup> month, or 4 ½ months, after the end of the charitable organization's fiscal year. For example, if the organization's fiscal year runs from January 1<sup>st</sup> to December 31<sup>st</sup>, this report is due on May 15<sup>th</sup>. If the organization's fiscal year runs from July 1<sup>st</sup> to June 30<sup>th</sup>, this report is due on November 15<sup>th</sup>.
- Raffles that are exempt under S.C. Code of Laws §33-57-120(B)(2) do not need to be included in this report.
- **We do not accept this filing by fax or email;** you may upload this report using our online filing system at [www.sos.sc.gov](http://www.sos.sc.gov), or you may mail this form to South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.
- Please type or print clearly. You may attach additional pages as necessary.
- Please contact our office with any questions at 803-734-1790 or [charities@sos.sc.gov](mailto:charities@sos.sc.gov).

This raffle report covers the fiscal year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_.

Check if applicable: ☐ Initial Filing ☐ Amended Filing ☐ Change in Fiscal Year

EIN: \_\_\_\_\_ Raffle Registration ID: \_\_\_\_\_

Organization Name: \_\_\_\_\_

DBA: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Email Address: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Brief Description of Organization's Charitable Purpose: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Total Number of Nonexempt Raffles Conducted During the Fiscal Year Covered by this Report: \_\_\_\_\_

**Please complete the information in Parts I through VI for each nonexempt raffle conducted during the fiscal year covered by this report. You may attach additional pages as necessary. For example, if your organization conducted 4 raffles during the prior fiscal year, you will need copy or print 4 copies of pages 2-4 of this form and complete Parts I through VI for each separate raffle.**

Annual Raffle Financial Report—Revised August 2016 Page 1

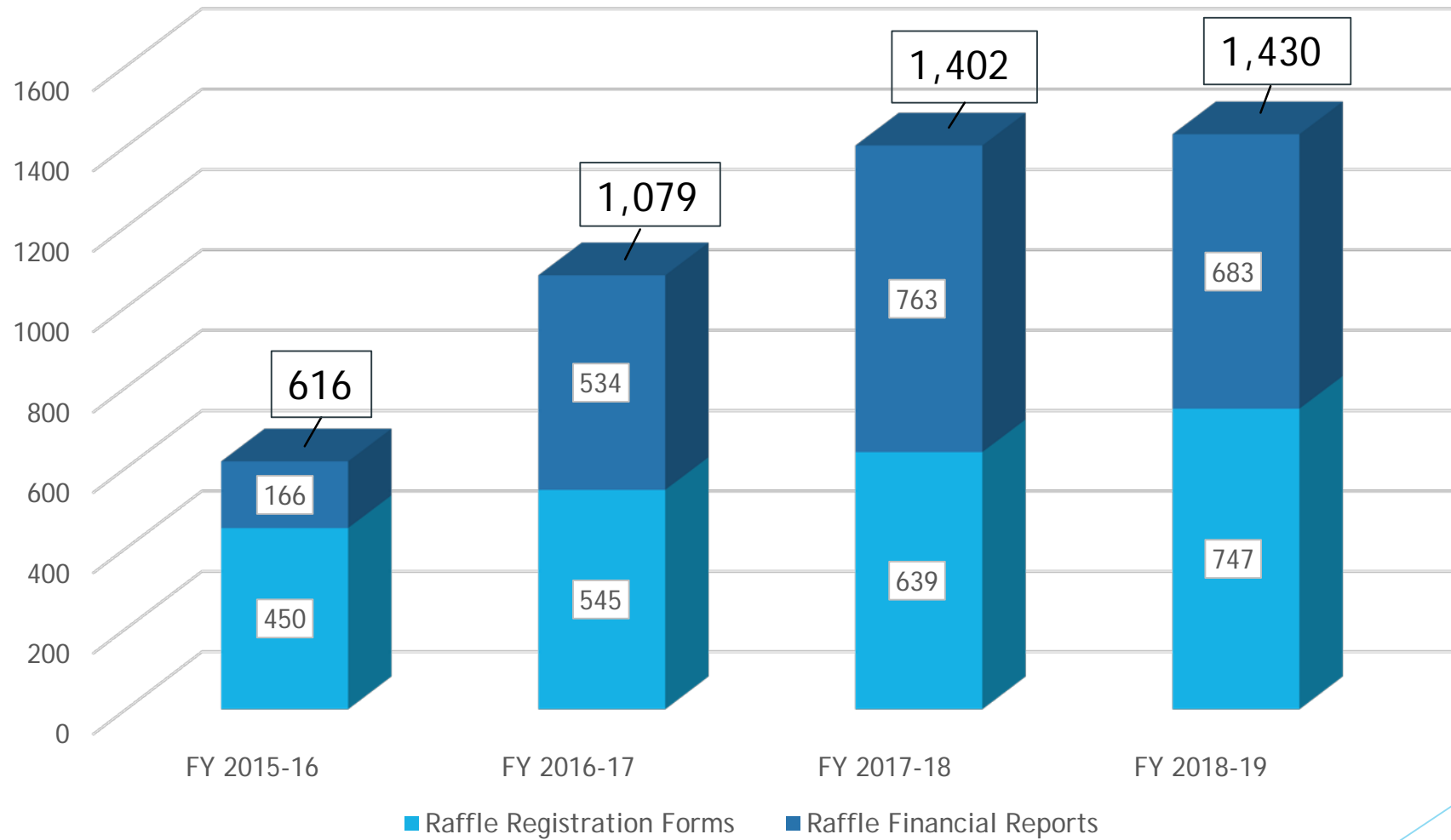
Required by S.C. Code  
§ 33-57-150

Customers:  
Nonprofit Organizations

### Legislative Intent:

Only qualified tax-exempt entities, which are organized and operated for charitable purposes and which dedicate raffle proceeds to charitable purposes, shall operate and conduct raffles. [Section 33-57-100(B)]

## Total Number of Raffle Filings

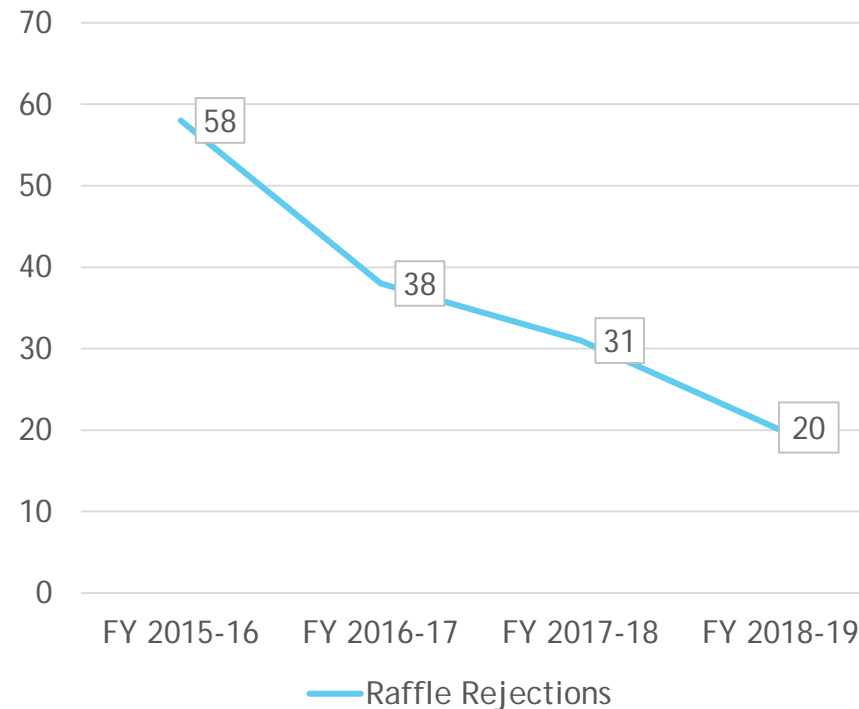


# Nonprofit Raffle Filing Rejection

## Deliverable No. 36

- ▶ If a nonprofit organization or other person files a raffle registration, but does not meet the statutory requirements to conduct raffles, then the Division of Public Charities will reject the filing.

Raffle Rejections



Provided under S.C. Code  
§§ 33-57-120(C), -150(C), -  
160(C)

Customers:  
Nonprofit Organizations;  
Persons Operating Raffles  
for Charitable Purposes

Legislative Intent:  
Only qualified tax-exempt  
entities, which are organized  
and operated for charitable  
purposes and which dedicate  
raffle proceeds to charitable  
purposes, shall operate and  
conduct raffles. [Section 33-57-  
100(B)]

# Nonprofit Raffle Notice of Administrative Fine & Notice of Suspension

## Deliverable Nos. 37 & 38

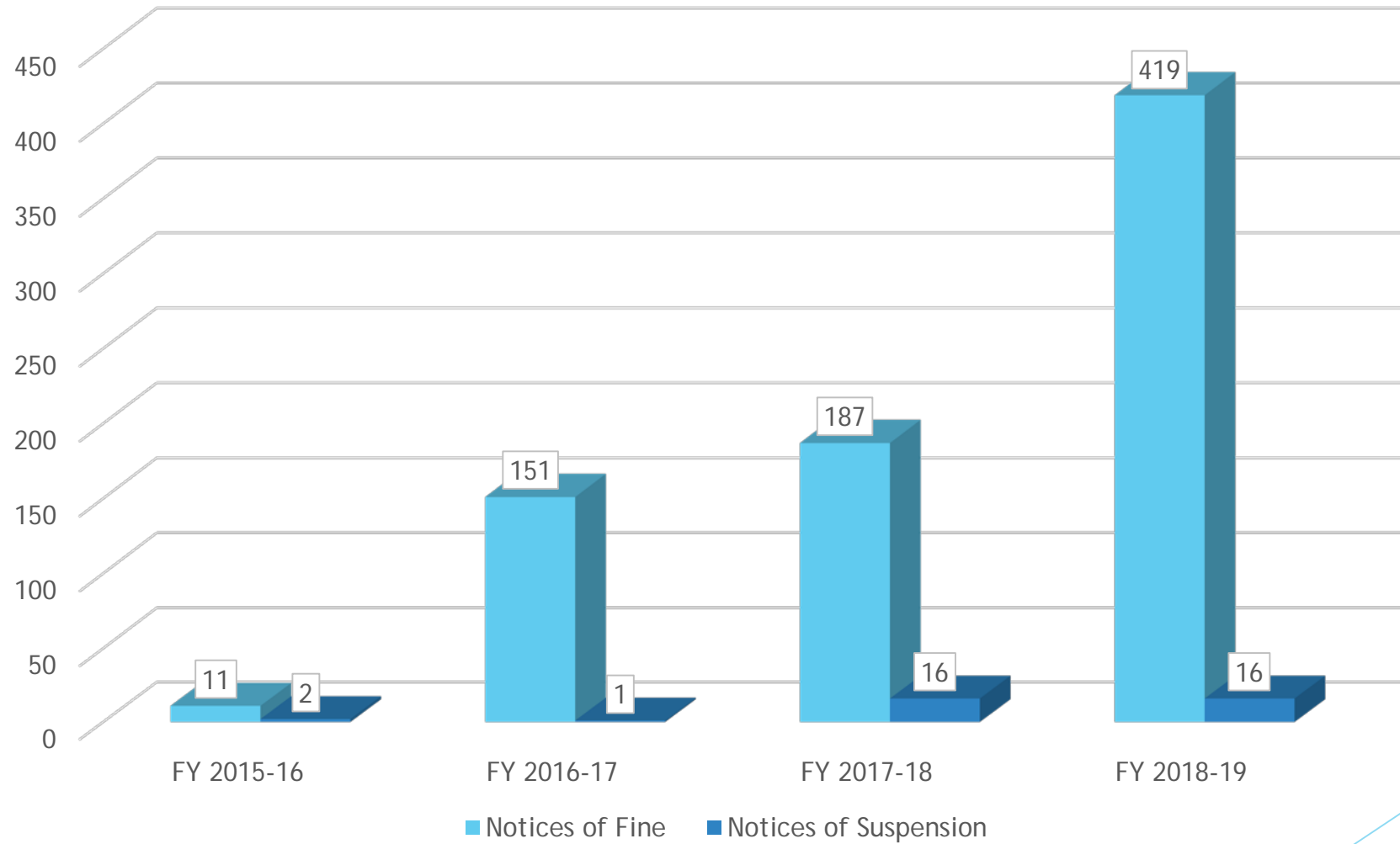
- ▶ An organization which fails to file its annual raffle financial report on time may be assessed by the Secretary of State an administrative fine of \$10.00 for each day of noncompliance, not to exceed \$2,000.00 for each separate violation.
- ▶ The Secretary of State may impose administrative fines of up to \$500.00 and/or seek injunctive relief for any other violations of the statutory provisions governing raffles. The Secretary of State may assess an administrative fine of up to \$500.00 for each violation and each day a person or organization is in violation of the law.
- ▶ Failure to pay the fine and/or file the report may result in revocation of the organization's registration.

Provided under S.C. Code  
§§ 33-57-120, -130, -140,  
-150, -160(B), -160(C)

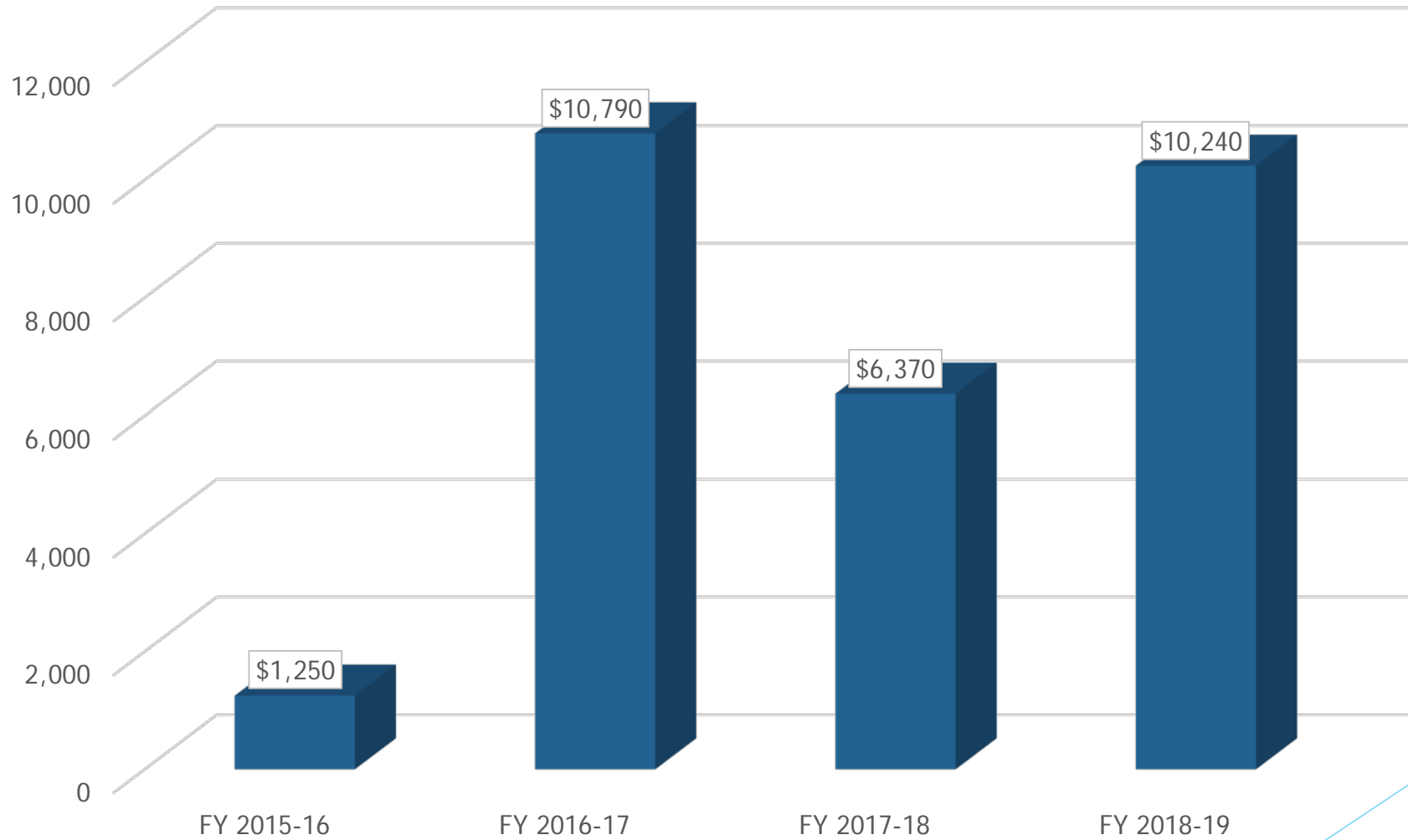
Customers:  
Nonprofit Organizations;  
Persons Operating Raffles  
for Charitable Purposes

Legislative Intent:  
Only qualified tax-exempt  
entities, which are organized  
and operated for charitable  
purposes and which dedicate  
raffle proceeds to charitable  
purposes, shall operate and  
conduct raffles. [Section 33-57-  
100(B)]

## Number of Notices Issued for Raffle Violations



## Total Fine Revenue Collected for Raffle Violations





# Nonprofit Raffle Appeals & Petitions for Injunctive Relief

## Deliverable Nos. 39 & 40

- ▶ If a person or organization is assessed an administrative fine, has its registration suspended or revoked, or is denied registration by the Secretary of State, that person or organization has 30 days to file an appeal with the Administrative Law Court.
- ▶ The Secretary of State may also pursue injunctive relief against nonprofit organizations in the Administrative Law Court.



Customers:  
Nonprofit Organizations;  
Persons Operating Raffles  
for Charitable Purposes;  
Other Persons Who Have  
Been Assessed a Fine or  
Had Registration  
Suspended, Revoked or  
Rejected

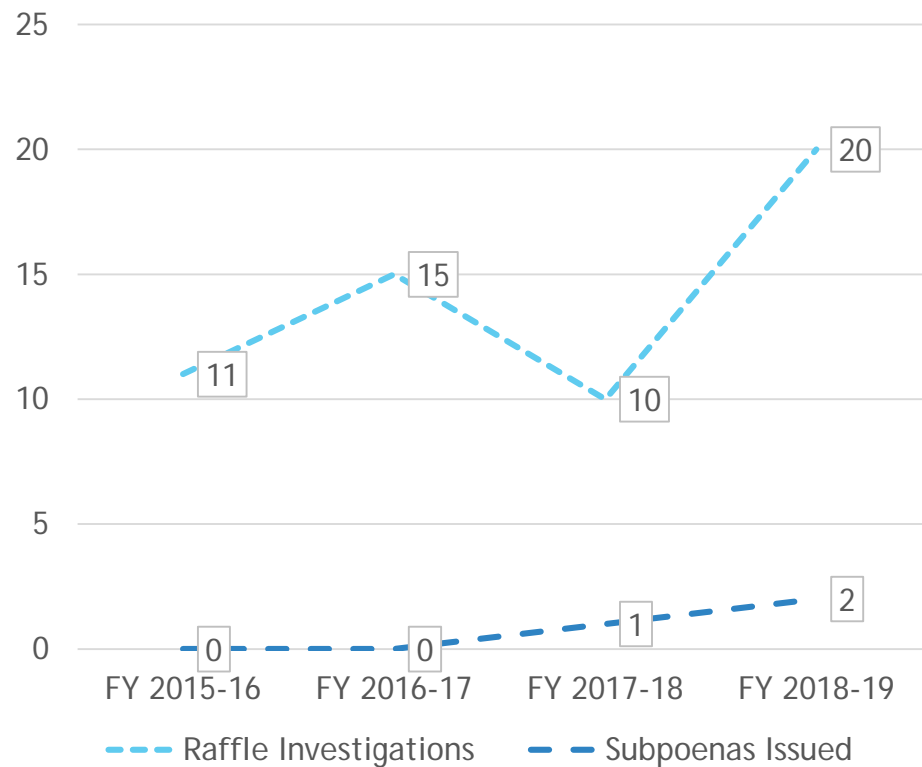
Legislative Intent:  
Only qualified tax-exempt  
entities, which are organized  
and operated for charitable  
purposes and which dedicate  
raffle proceeds to charitable  
purposes, shall operate and  
conduct raffles. [Section 33-57-  
100(B)]

# Nonprofit Raffle Investigations & Investigative Subpoenas

## Deliverable Nos. 41 & 42

Provided under S.C. Code  
§ 33-57-160(A)

Customers:  
Nonprofit Organizations;  
Persons Operating Raffles  
for Charitable Purposes



- ▶ The Secretary of State may investigate nonprofit organizations to determine if they have violated the provisions of Chapter 57, Title 33, or have filed false information with the Division of Public Charities.
- ▶ Investigations may result from complaints received from the public, law enforcement, other state or federal agencies (including charity regulators), and media inquiries and reports.
- ▶ The Secretary of State may subpoena or audit persons and organizations and require the production of documents to aid in the investigation of alleged violations of Chapter 57, Title 33.

Legislative Intent:  
Only qualified tax-exempt entities, which are organized and operated for charitable purposes and which dedicate raffle proceeds to charitable purposes, shall operate and conduct raffles. [Section 33-57-100(B)]

# Nonprofit Raffle Public Education—Brochure & Webinar

## Deliverable Nos. 43 & 44

- ▶ In order to educate the public about nonprofit raffles, the Secretary of State provides a raffles webinar on its website and distributes a raffles brochure at public speaking engagements, in its lobby, and on its website.
- ▶ Information on raffles is also provided at wise charitable giving presentations, as well as presentations to the nonprofit community.



Provided under S.C. Code  
§§ 33-57-110, -120, -130,  
-140, -150, -160

Customers:  
Nonprofit Organizations;  
General Public

Legislative Intent:  
Only qualified tax-exempt entities, which are organized and operated for charitable purposes and which dedicate raffle proceeds to charitable purposes, shall operate and conduct raffles. [Section 33-57-100(B)]

# Nonprofit Raffles Sunset Provision

- ▶ The provisions of Chapter 57 of Title 33 will be repealed on July 1, 2020 unless the General Assembly reauthorizes the provisions by joint resolution.
- ▶ There are bills currently pending to repeal the sunset provision in both the House and the Senate:
  - ▶ H. 4353
  - ▶ S. 719



# Performance Measures Related to Charities Deliverables

- ▶ Performance Measure No. 1: Provide charity customers expanded accessibility 24/7 on mobile devices and upgraded online capabilities.
- ▶ Performance Measure No. 4: Protect data and records and provide staff additional tools to fulfill statutory duties. (Create centralized investigations database application for charities, professional fundraisers, raffles, investigations and trademark violations.)
- ▶ Performance Measure No. 6: Participate in multi-state enforcement actions to protect the citizens of the state.
- ▶ Performance Measure No. 7: Provide trainings to charity and raffle groups statewide.

# Performance Measures Related to Charities Deliverables

- ▶ Performance Measure No. 8: Publish additional reports on the agency website to educate and protect charitable donors.
- ▶ Performance Measure No. 9: Develop educational material for target areas concerning charitable solicitation.
- ▶ Performance Measure No. 10: Protect charitable donors in the state through filing injunctions against noncompliant organizations.

## Performance Measure No. 1:

Provide charity customers expanded accessibility 24/7 on mobile devices and upgraded online capabilities.

- ▶ Over the past few years, the Secretary of State has initiated and implemented several upgrades and enhancements to its charities online filing system, which was launched in 2009. These upgrades and enhancements have included the following:
  - ▶ Enhancements to make the online filing system more user friendly, reduce the number of filing errors, and implement legislative changes enacted in FY 2013-14 (project initiated in FY 2013-14 and completed in FY 2014-15).
  - ▶ Update charities database and system to accommodate nonprofit raffles legislation passed in FY 2014-15 (project initiated in FY 2014-15 and completed in FY 2015-16).
  - ▶ Provide an online charitable solicitation complaint form to allow members of the public to file confidential complaints through the Secretary of State's website. (project initiated in FY 2015-16 and completed in FY 2016-17).



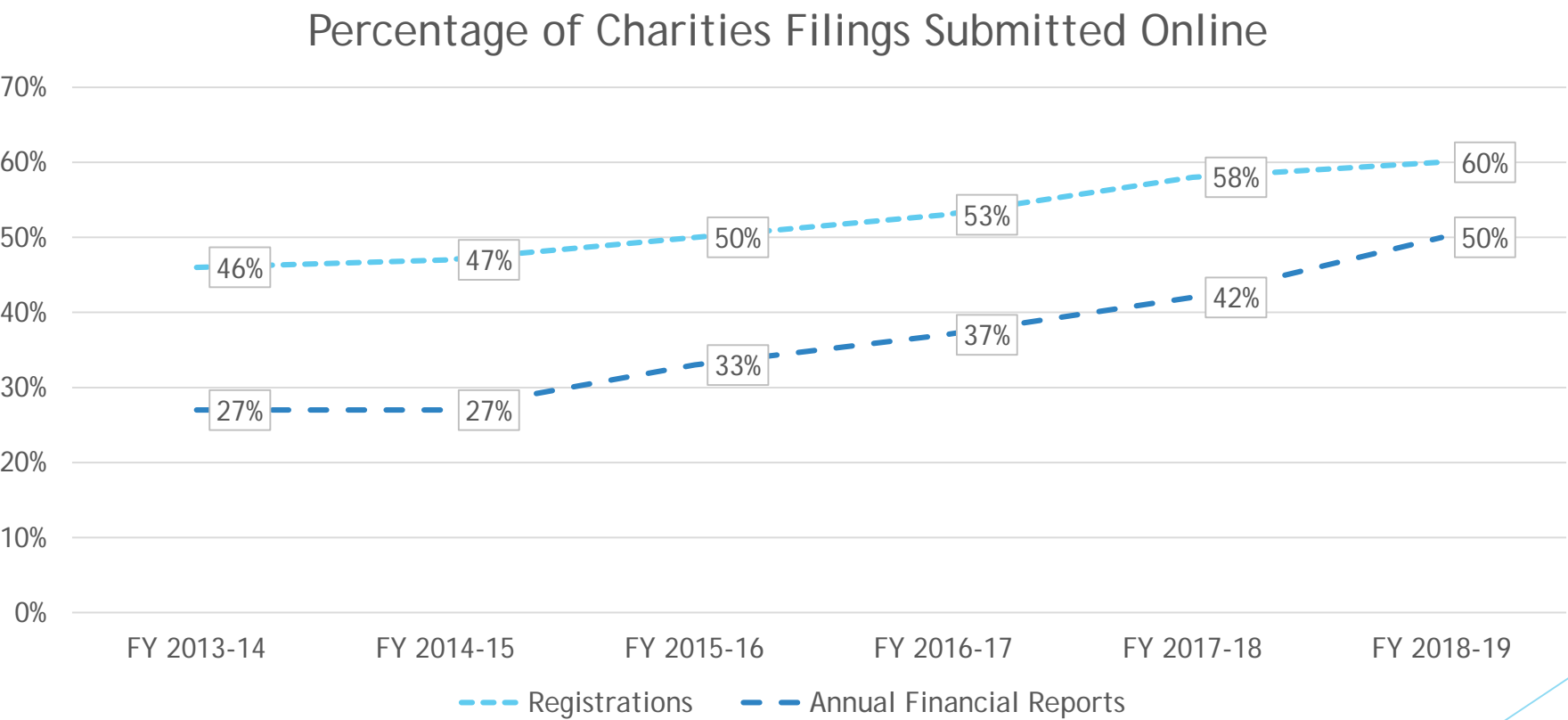
## Performance Measure No. 1:

Provide charity customers expanded accessibility 24/7 on mobile devices and upgraded online capabilities.

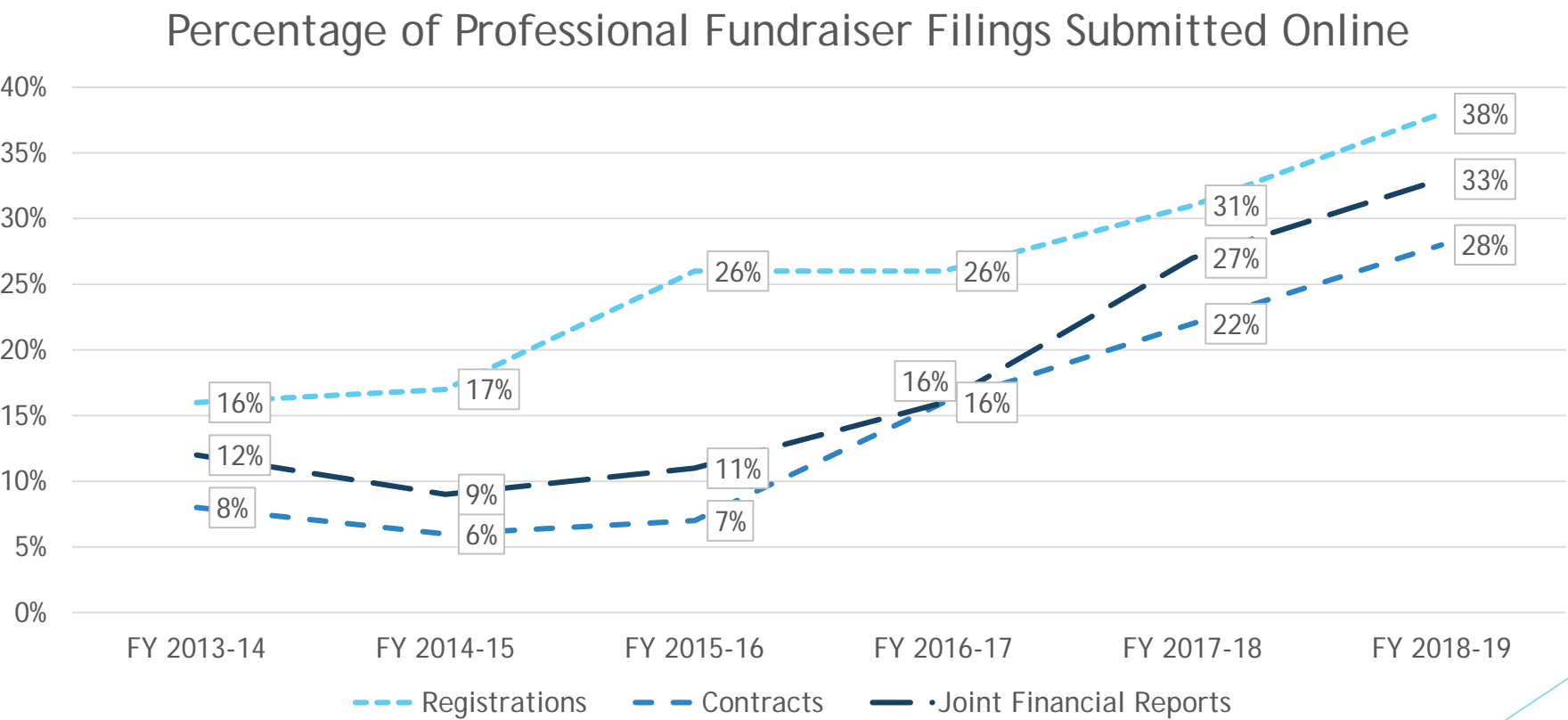
- ▶ Over the past few years, the Secretary of State has initiated and implemented several upgrades and enhancements to its charities online filing system, which was launched in 2009. These upgrades and enhancements have included the following:
  - ▶ Enhancements to provide streamlined options for online filers to upload required documents, as well as a PDF of online registration forms (project initiated and completed in FY 2016-17).
  - ▶ Enhancements to provide charities, professional fundraisers, and raffles access to update records 24/7 through creation of an online account, and provide letters/correspondence from Public Charities Division in an universally-readable format (project initiated in FY 2016-17 and completed in FY 2018-19).
  - ▶ Enhancements are currently in process to provide mobile phone and tablet compatibility for online customers (project initiated in FY 2018-19).



Performance Measure No. 1:  
Provide charity customers expanded accessibility 24/7 on mobile devices and upgraded online capabilities.

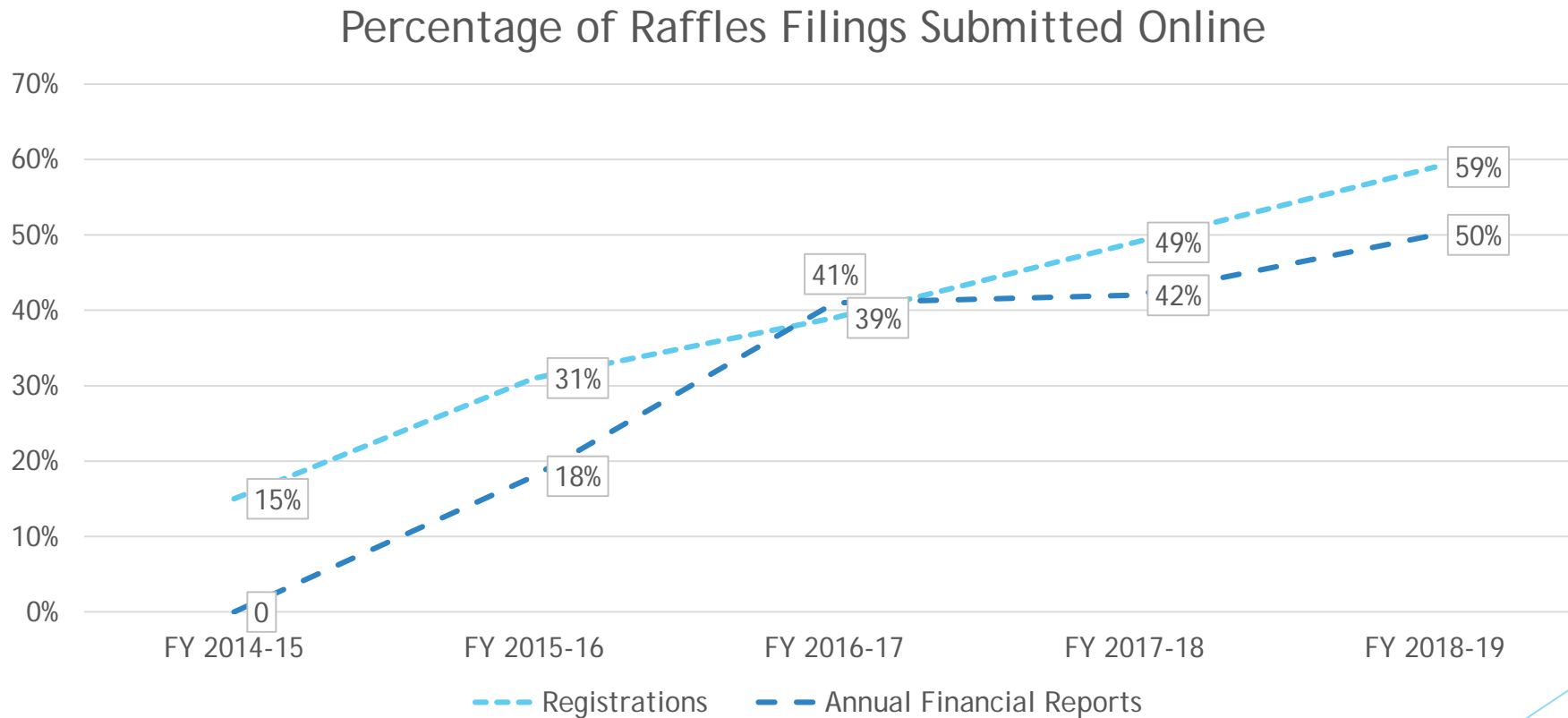


Performance Measure No. 1:  
Provide charity customers expanded accessibility 24/7 on mobile devices and upgraded online capabilities.



## Performance Measure No. 1:

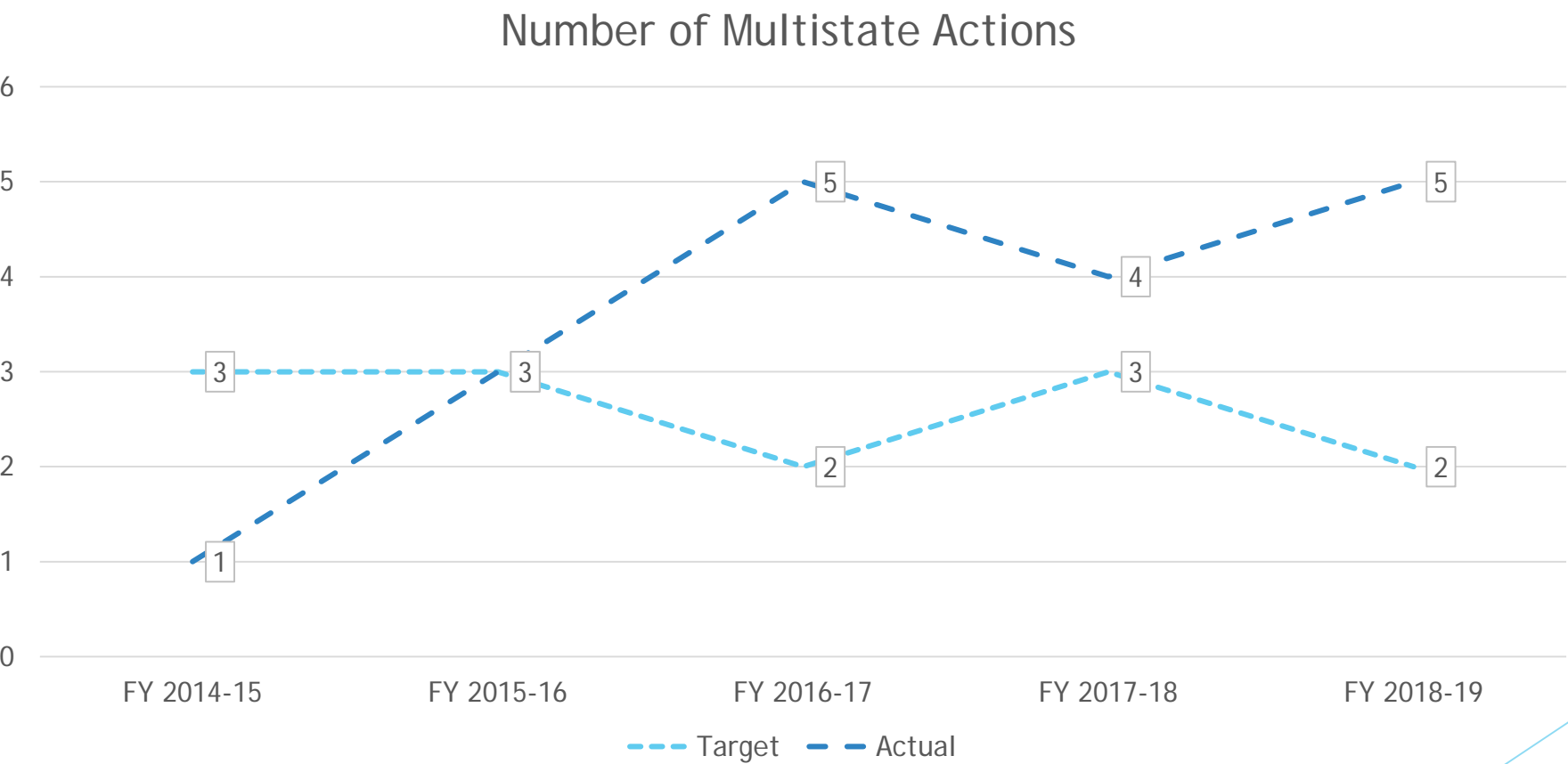
Provide charity customers expanded accessibility 24/7 on mobile devices and upgraded online capabilities.



Performance Measure No. 4: Protect data and records and provide staff additional tools to fulfill statutory duties. (Create centralized investigations database application for charities, professional fundraisers, raffles, investigations and trademark violations.)

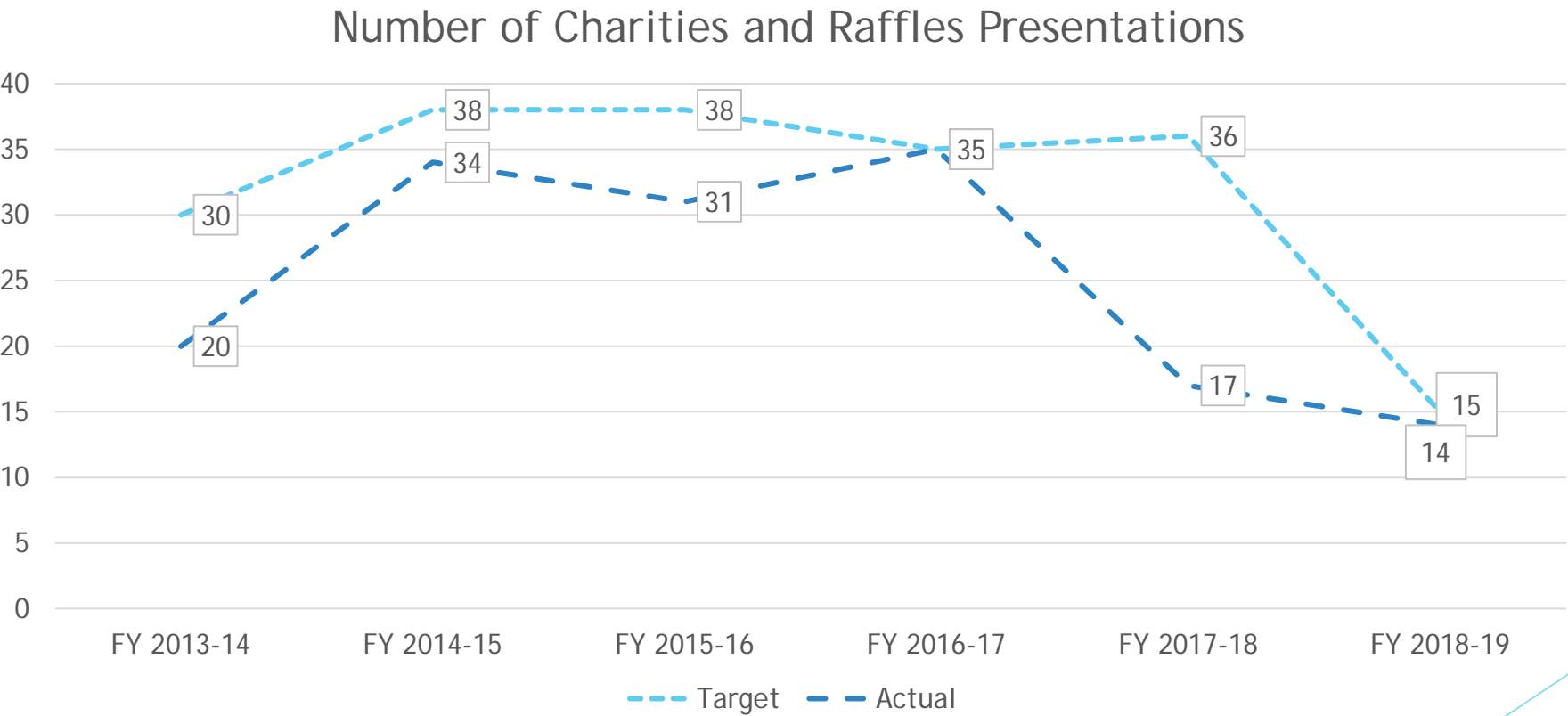
- ▶ In FY 2017-18, a new investigations application was launched. This application provided a centralized database for investigative staff to track charities, professional fundraisers, and raffles investigations. Development of the application began in FY 2016-17.

Performance Measure No. 6: Participate in multi-state enforcement actions to protect the citizens of the state.



*\*Some multistate actions spanned several fiscal years. Also, this performance measure did not exist in FY 2013-14.*

Performance Measure No. 7: Provide trainings to charity and raffle groups statewide.



## Performance Measure No. 8: Publish additional reports on the agency website to educate and protect charitable donors.

- ▶ In order to provide charitable donors as much information as possible to make wise giving decisions, the Secretary of State provides the following information on its website:
  - ▶ Charity search engine, which provides registration status and a snapshot of financial information provided in the most recent annual financial report
  - ▶ List of suspended charities that is updated daily
  - ▶ Wise Giving & Professional Solicitor Report (first published in FY 2015-16)

## Performance Measure No. 8: Publish additional reports on the agency website to educate and protect charitable donors.

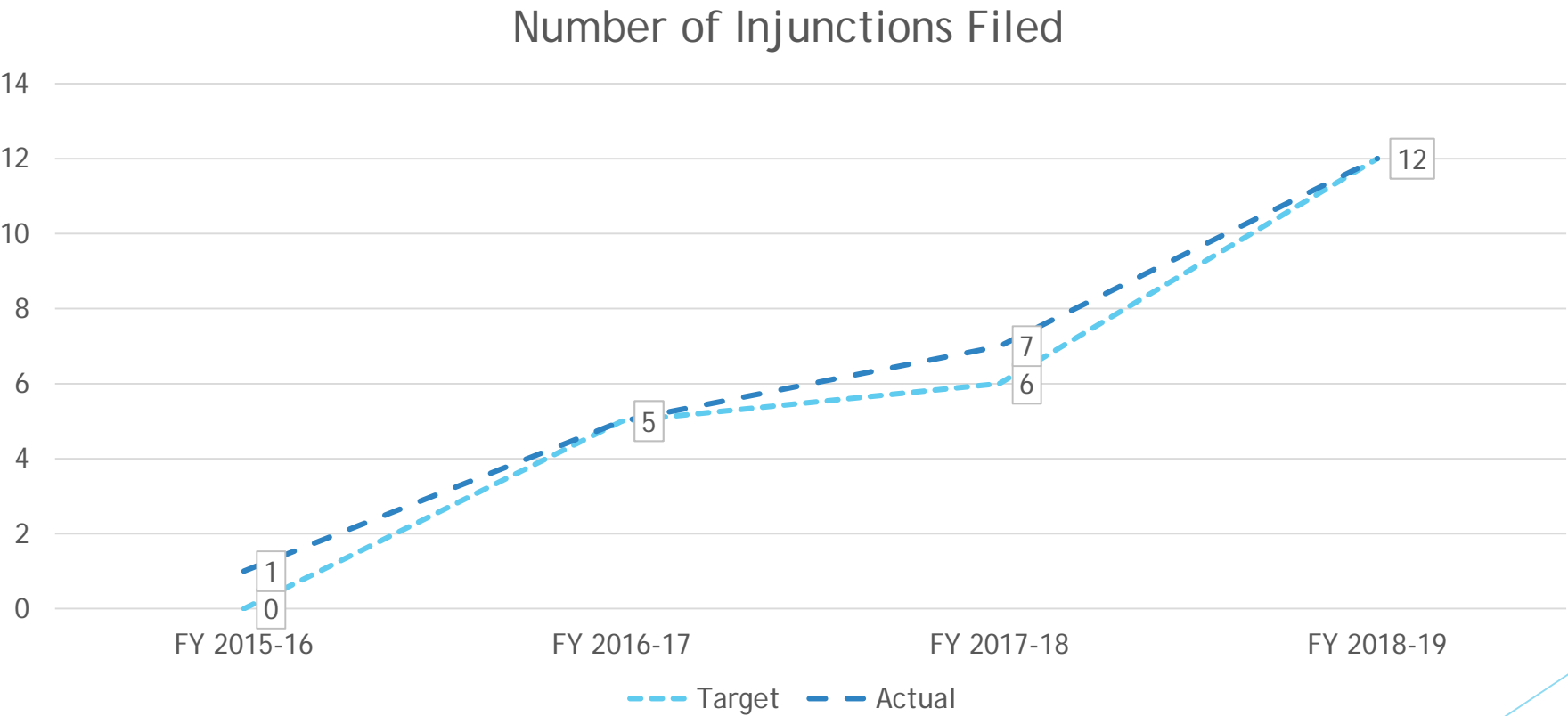
- ▶ With the launch of its updated website in August 2019, the Secretary of State's Office now provides the following additional information:
  - ▶ PDF copies of the most recently filed financial reports for charities, professional fundraisers, and raffles
  - ▶ Terms of remuneration from professional fundraiser contracts
  - ▶ List of suspended professional fundraisers that is updated daily
  - ▶ List of suspended raffles that is updated daily



## Performance Measure No. 9: Develop educational material for target areas concerning charitable solicitation.

- ▶ The Secretary of State's Office provides information on its website to educate donors on wise charitable giving, as well as charitable organizations on statutory requirements for filing.
- ▶ In recent years, the Secretary of State's Office has published and distributed educational brochures on wise charitable giving and raffles.
- ▶ In FY 2015-16, the Secretary of State published a raffles webinar on its website in order to educate nonprofit organizations and members of the public on statutory requirements for nonprofit raffles.

Performance Measure No. 10: Protect charitable donors in the state through filing injunctions against noncompliant organizations.



# Revenue & Costs Related to Charities

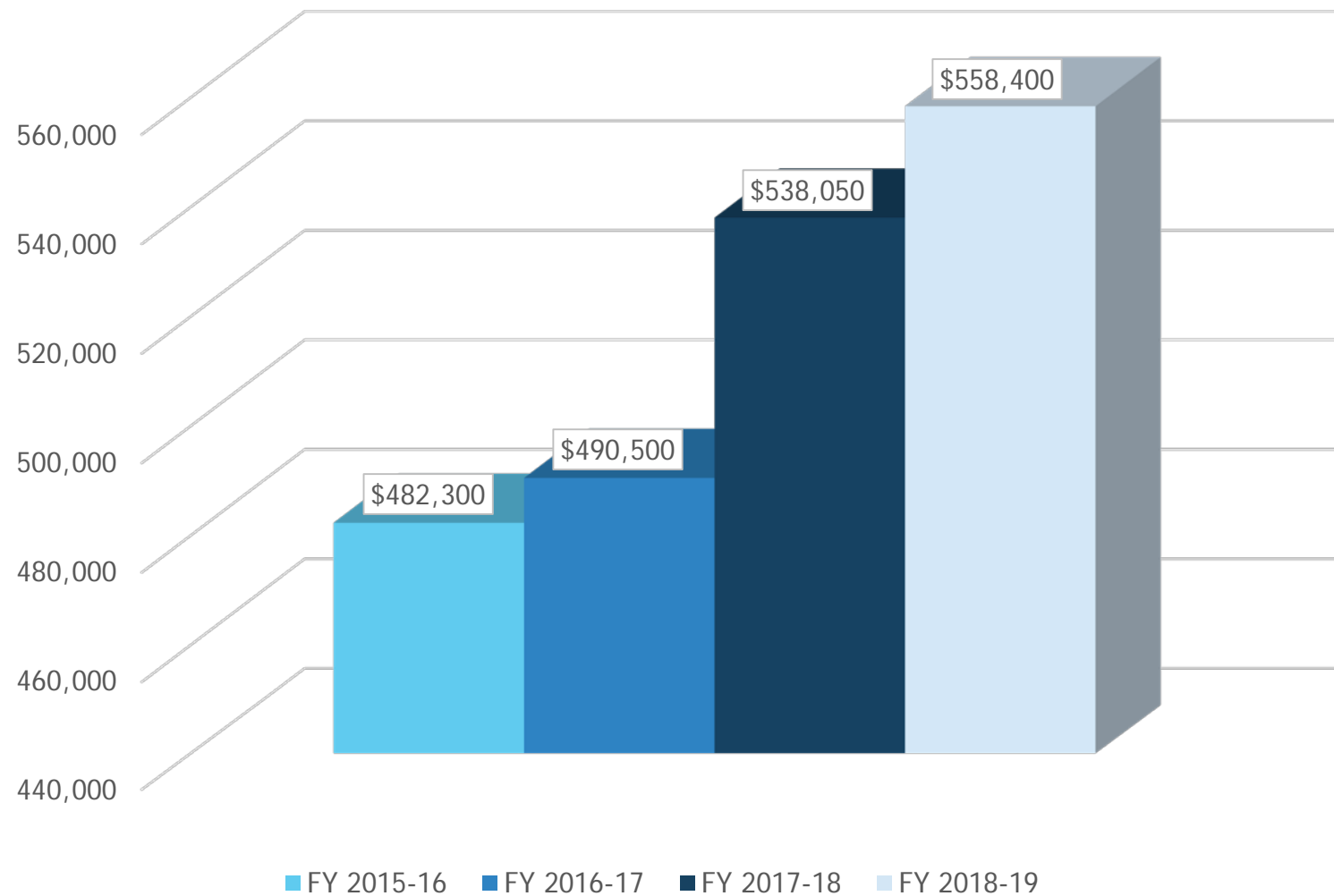
## Deliverables

The Division of Public Charities collects fee and fine revenue from the following sources:

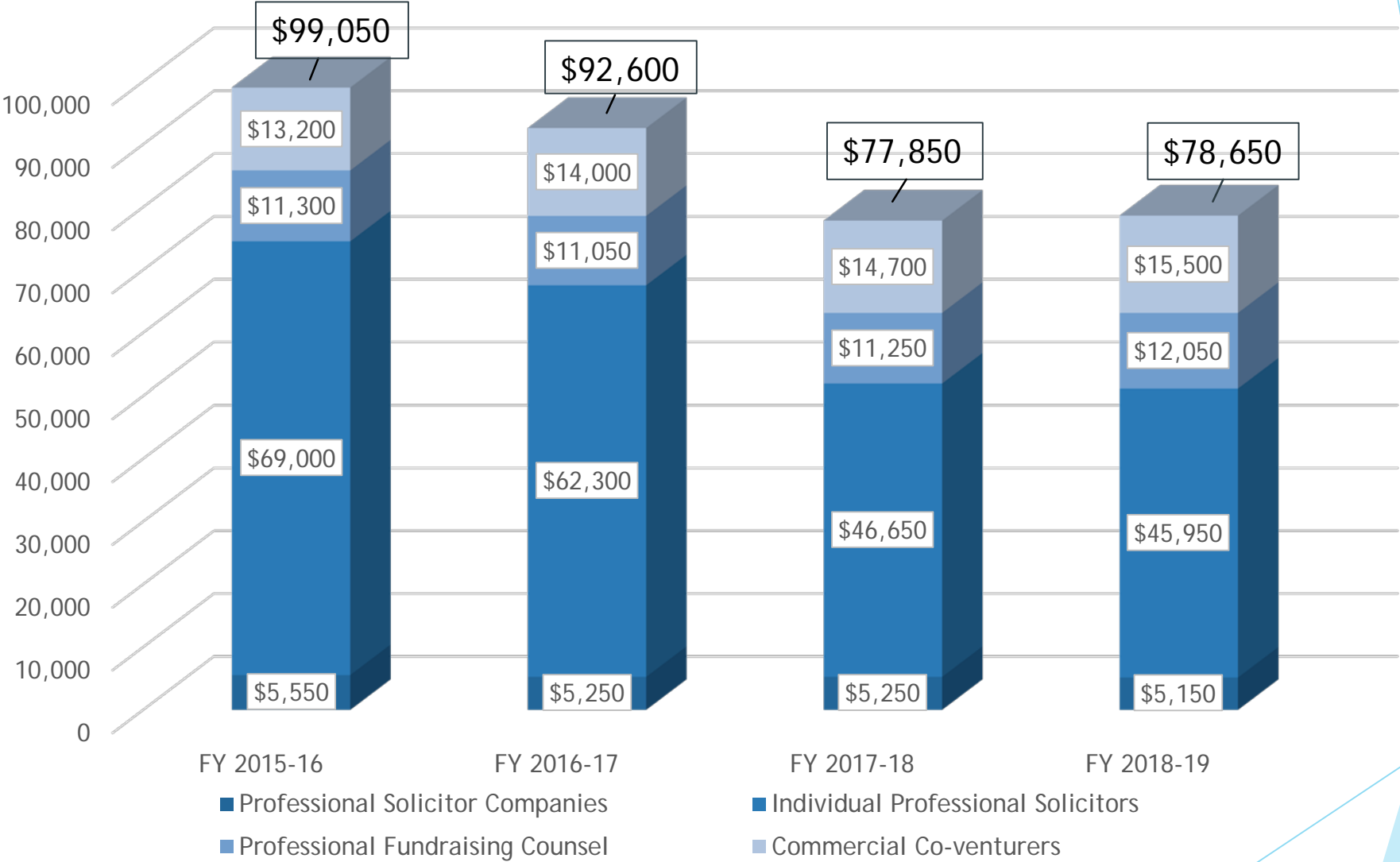
- ▶ Registration fees for charitable organizations (\$50.00\*)
- ▶ Registration fees for professional fundraisers (\$50.00\*)
- ▶ Administrative fines for violations of Solicitation of Charitable Funds Act (up to \$2,000.00 per violation\*)
- ▶ Registration fees for nonprofit raffles (\$50.00)
- ▶ Administrative fines for violations of Chapter 57, Title 33 (Nonprofit Raffles for Charitable Purposes) (\$500.00 per violation or up to \$2,000.00 for late financial reports)

*\*Amount of fees and fines have not increased since the initial passage of the South Carolina Solicitation of Charitable Funds Act in 1994. (1994 Act. No. 461)*

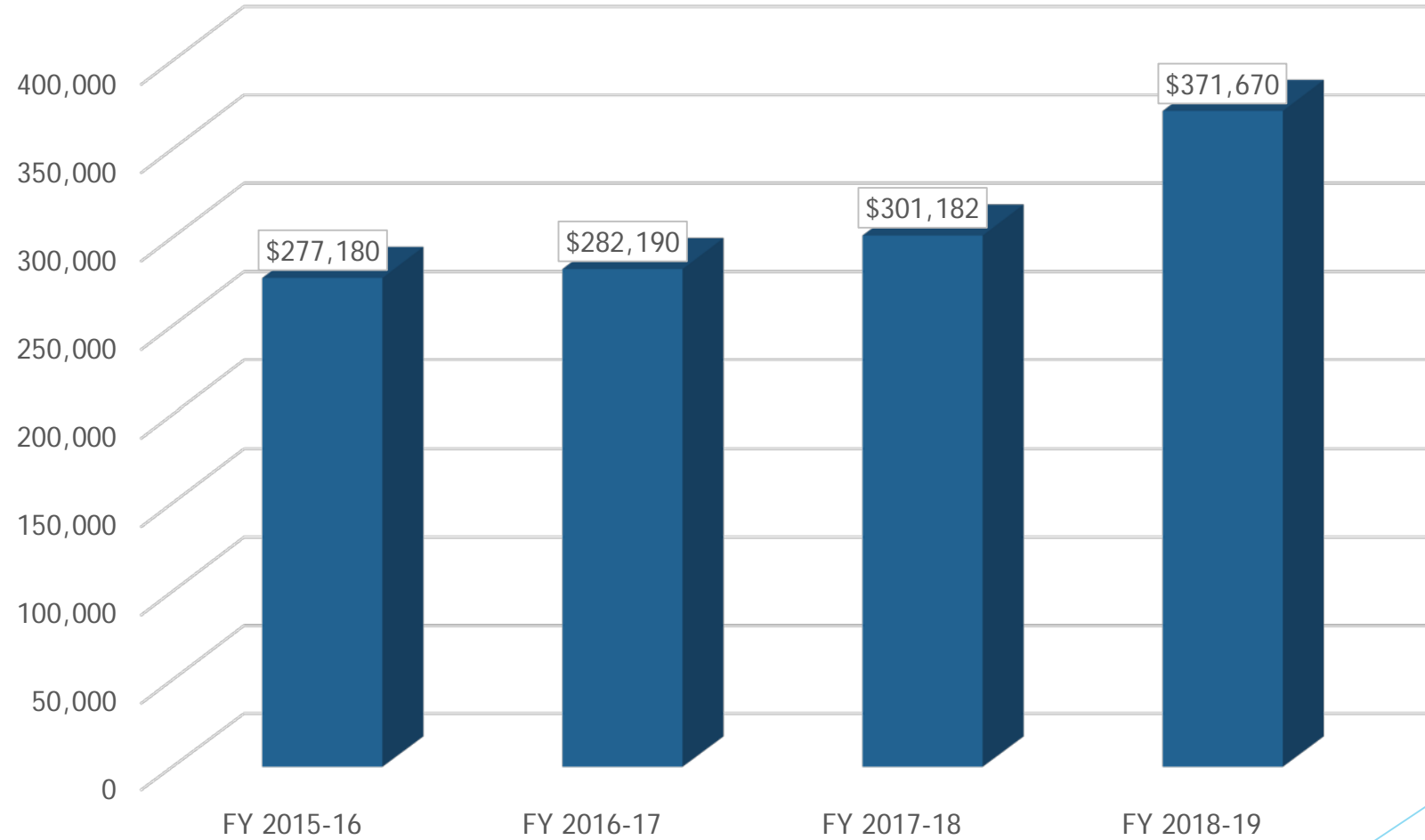
## Registration Fees Collected from Charitable Organizations



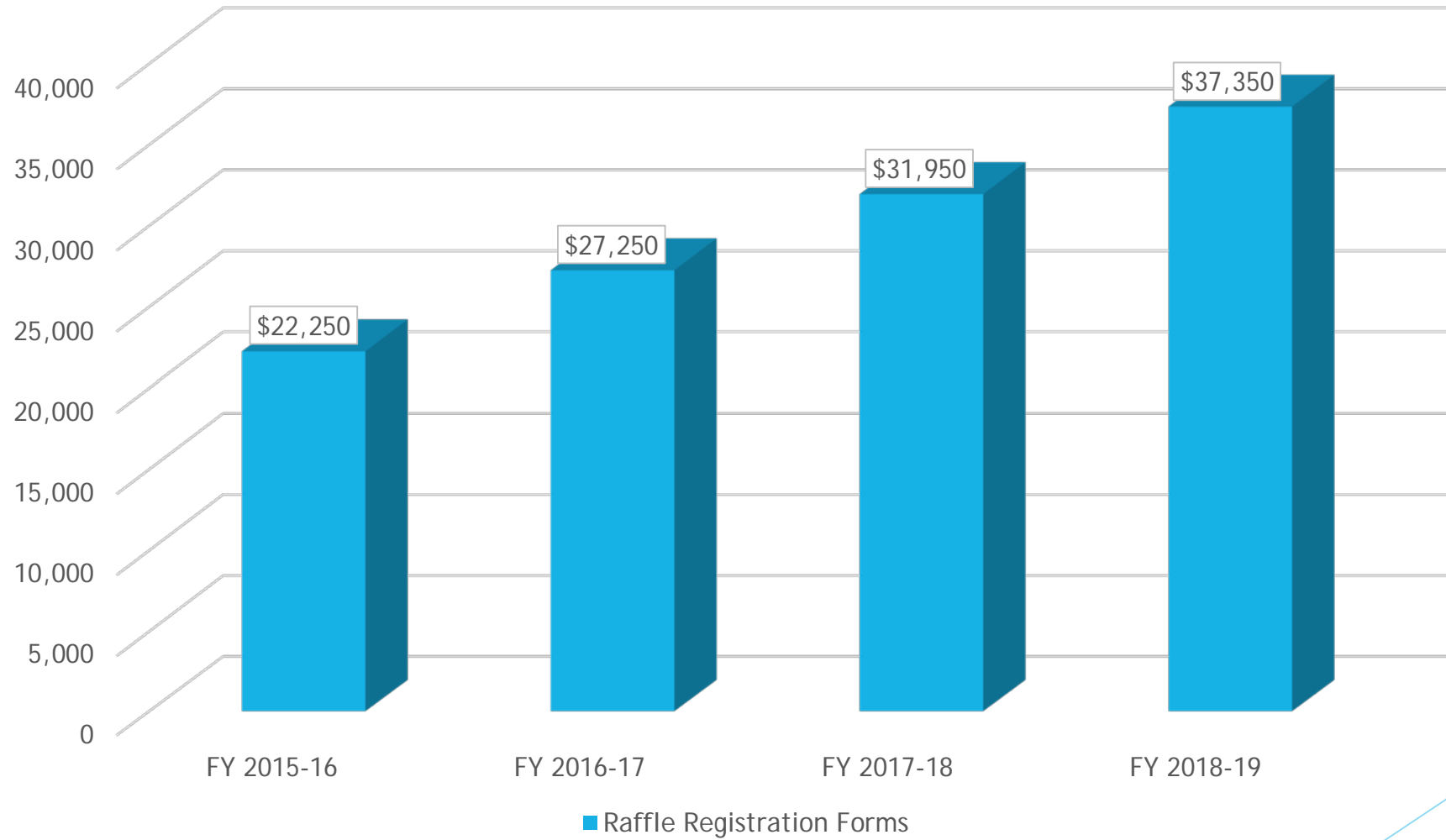
# Registration Fees Collected from Professional Fundraisers



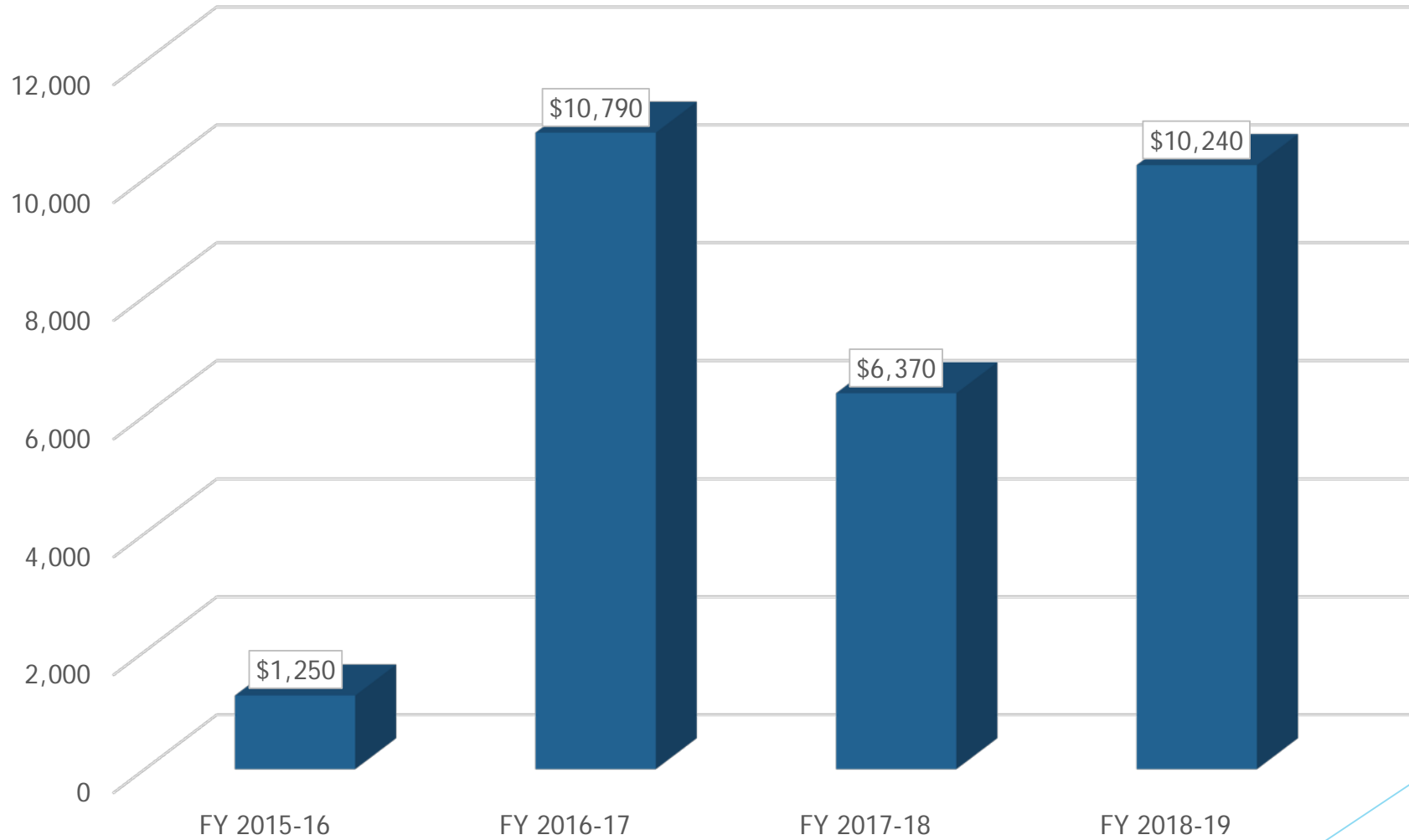
## Total Fine Revenue Collected from Enforcement of Solicitation of Charitable Funds Act



## Registration Fees Collected from Nonprofit Raffles

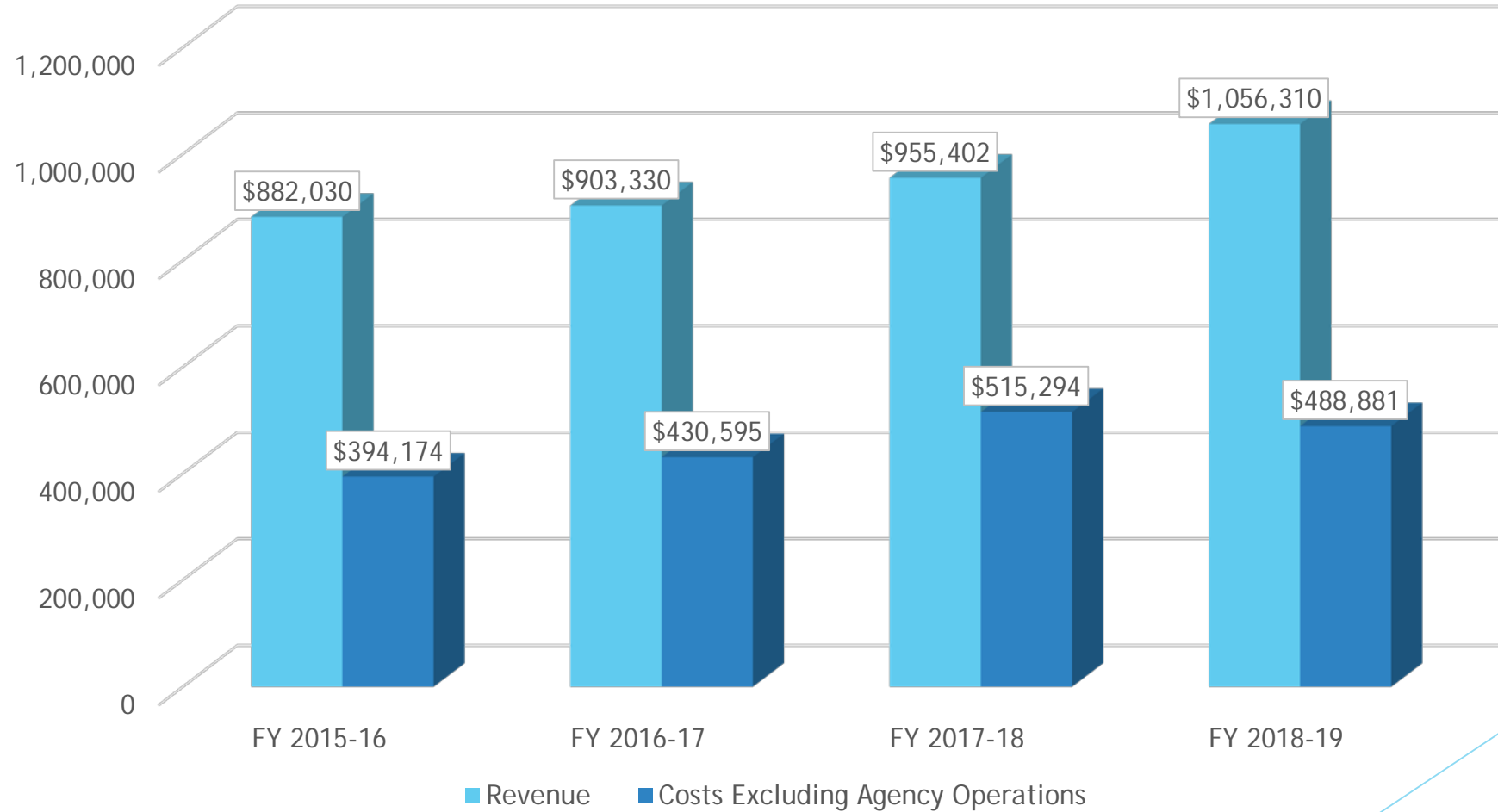


## Total Fine Revenue Collected for Raffle Violations





## Comparison of Fee and Fine Revenue Collected by Public Charities Division with Costs (Excluding Agency Operations)



# Suggested Law Changes Related to Charities Deliverables

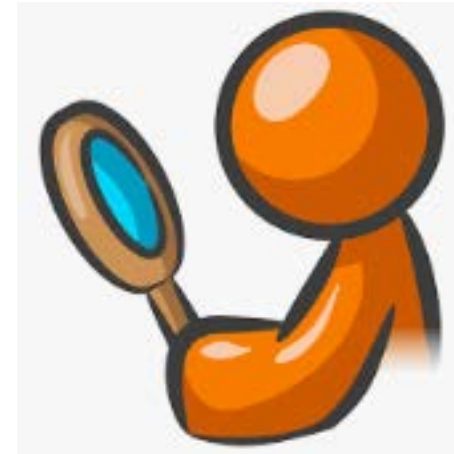
- ▶ In addition to the deletion of Provisos 96.2 and 96.3 (Deliverable Nos. 24 and 25), the Secretary of State recommends the following:
  - ▶ Repeal of Section 1-7-117 (Duties of Division of Public Charities devolved upon Attorney General)
  - ▶ Repeal of Regulation 102.1 (Fees to Accompany Request for Confirmation of Solicitation Exemption)

# INVESTIGATIONS & TRADEMARKS DIVISION

- ▶ The Investigations & Trademarks Division fulfills the following duties in the Secretary of State's Office:
  - ▶ Charities Enforcement & Public Education
  - ▶ Counterfeit Goods Enforcement, Training & Public Education
  - ▶ Rejection of Sovereign Citizen Documents
  - ▶ Investigation of Violations of the Private Personnel Placement Services Act (Employment Agencies)
  - ▶ Investigation of Special Purpose District Filing Delinquencies
  - ▶ Trademark & Service Mark Registrations
  - ▶ Livestock Brand & Earmark Registrations

# Counterfeit Goods Enforcement, Training & Public Education

- ▶ Investigators with the Secretary of State's Office have been given jurisdiction under Section 39-15-1190 to conduct investigations into distribution of counterfeit goods and trademark violations, either independently or jointly with other law enforcement entities, throughout the state of South Carolina.
- ▶ Investigators with the Secretary of State are not commissioned law enforcement agents and will refer any criminal evidence findings to the appropriate authorities so they can initiate the actions they deem appropriate.



# Why Counterfeit Enforcement Matters



- ▶ Counterfeit goods can and have caused harm to consumers. This includes injuries from counterfeit medications, electrical equipment, and other devices that must adhere to regulated safety standards in the normal course of business.
- ▶ Counterfeit goods cause economic harm by stealing intellectual property from manufacturers, depriving communities of tax revenue, and defrauding unsuspecting consumers.
- ▶ The sale of counterfeit goods funds terrorist groups and organized criminal networks.

# Investigation of Distribution, Trafficking & Production of Counterfeit Marks

## Deliverable No. 45

### How Secretary of State's Office investigators participate in counterfeit investigations:

- ▶ Our investigators have received numerous hours of classroom and field training in the identification of counterfeit merchandise, and we are constantly receiving updates on new security features as they are added. Law enforcement agencies call on that expertise whenever they come across items they believe to be counterfeit.
- ▶ Our investigators can get law enforcement the probable cause they need to obtain search warrants. This includes assisting in undercover operations by making buys.

Provided under S.C. Code  
§ 39-15-1190

Customers:  
Law Enforcement  
Agencies; Solicitors;  
Department of Revenue

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

# Investigation of Distribution, Trafficking & Production of Counterfeit Marks

## Deliverable No. 45

### How Secretary of State's Office investigators participate in counterfeit investigations:

- ▶ Our investigators assist with the inventorying of seized merchandise. We not only provide extra manpower, but can also differentiate between what is real and what is counterfeit. This ensures that only counterfeit is seized and the integrity of the case will remain intact.
- ▶ Criminal charges are determined by the retail value of what the counterfeited item would sell for if it was a real item being sold. Our office provides an MSRP letter and an attachment breaking down the pricing for each item to agencies that pursue criminal prosecution.

Provided under S.C. Code  
§ 39-15-1190

Customers:  
Law Enforcement  
Agencies; Solicitors;  
Department of Revenue

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

# Investigation of Distribution, Trafficking & Production of Counterfeit Marks

## Deliverable No. 45

### How Secretary of State's Office investigators participate in counterfeit investigations:

- ▶ Our investigators assist law enforcement with suspect interviews.
- ▶ Our investigators are available for sworn testimony in court if needed.
- ▶ Our office remains available to law enforcement, for any assistance they need, until the case has been resolved.

Provided under S.C. Code  
§ 39-15-1190

Customers:  
Law Enforcement  
Agencies; Solicitors;  
Department of Revenue

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)



# Investigation of Distribution, Trafficking & Production of Counterfeit Marks

## Deliverable No. 45

Trademark violations are discovered through multiple outlets:

- ▶ Citizen complaints
- ▶ Law enforcement referrals
- ▶ Complaints from the trademark holder or trademark holder's representative
- ▶ Compliance checks



Provided under S.C. Code  
§ 39-15-1190

Customers:  
Law Enforcement Agencies;  
Solicitors; Department of  
Revenue

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

# Training and Education on Distribution, Trafficking & Production of Counterfeit Marks

## Deliverable No. 46

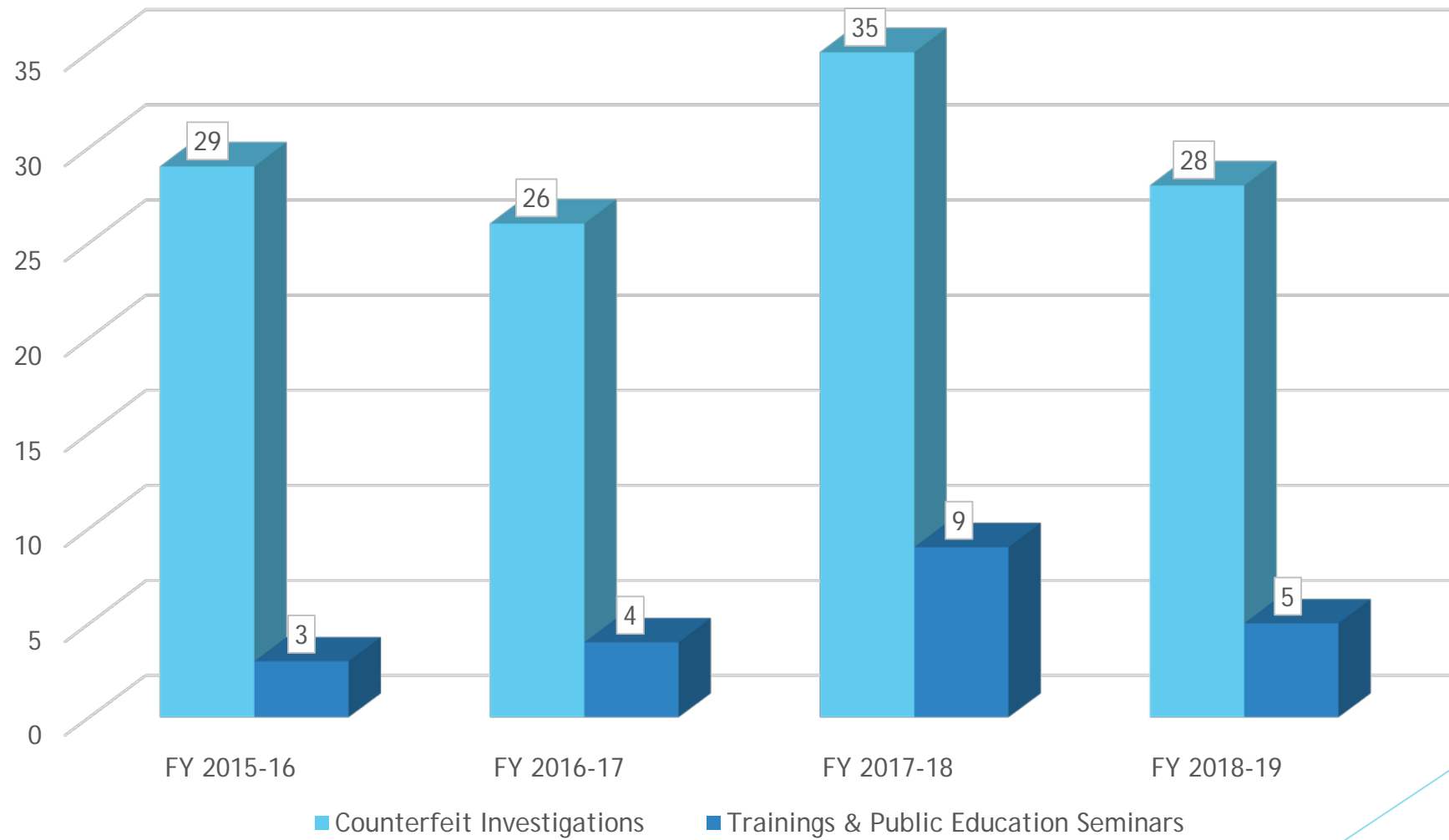
- ▶ In order to combat counterfeit trafficking, Secretary of State's Office investigators conduct educational seminars for the public and training seminars for law enforcement. The purpose of the seminars is to educate the audiences on the dangers and negative effects of counterfeit, and to show them how to identify when counterfeit goods are being sold.
- ▶ Law enforcement training partners have included:
  - ▶ South Carolina Gang Investigators Association
  - ▶ International Anti-Counterfeiting Association
  - ▶ South Carolina Association of Legal Investigators
  - ▶ Individual Law Enforcement Agencies in South Carolina
  - ▶ Federal Bureau of Investigation

Provided under S.C. Code  
§ 39-15-1190

Customers:  
Law Enforcement  
Agencies; General Public

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

## Number of Counterfeit Investigations and Trainings



# Rejection of Sovereign Citizen Documents

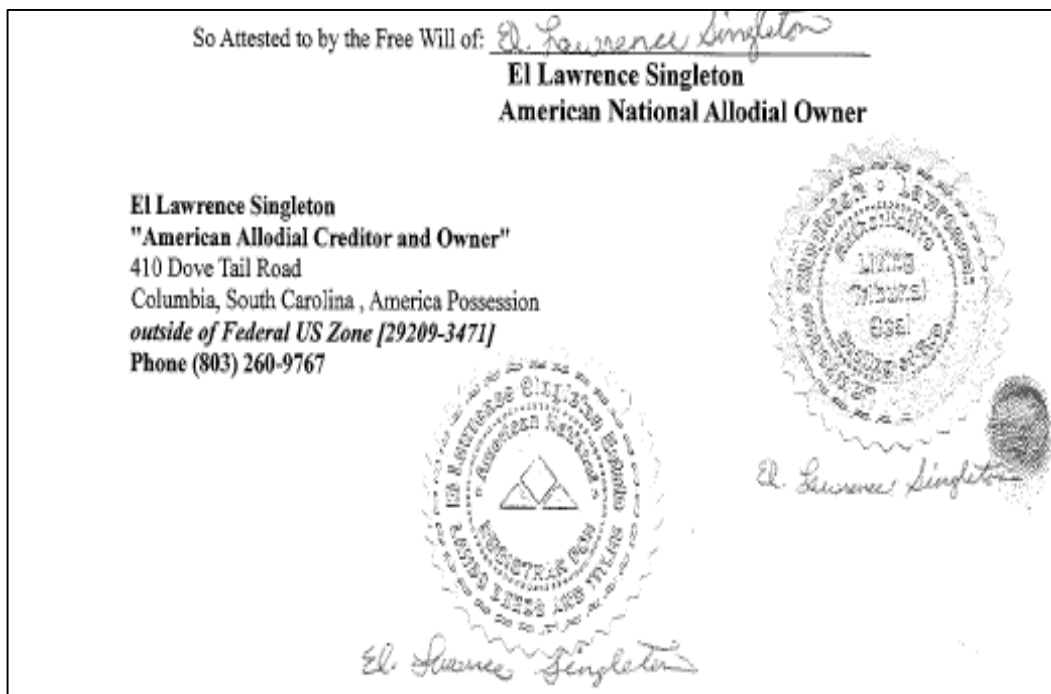
## Deliverable No. 47

- ▶ Sovereign citizens believe that the various levels of government operate without authority and have no jurisdiction over them. They tend to be antagonistic towards government, especially law enforcement and judges.
- ▶ The Secretary of State's Office is targeted by sovereign citizens because the Secretary of State files Uniform Commercial Code filings and authenticates documents for use overseas. In addition, sovereign citizens will sometimes attempt to file trademarks and other random documents, and request oaths and bonds of public officials under the Freedom of Information Act.
- ▶ The Investigations & Trademarks Division is primarily responsible for rejecting sovereign citizen documents and forwarding them to law enforcement (both SLED and the FBI).

Provided under S.C. Code  
§ 26-1-230, § 36-9-  
516(b)(8), -516(b)(9)

Customers:  
General Public; Law  
Enforcement

Outcome Sought by Agency:  
Prevent the filing or  
certification of fraudulent  
and improper documents.



News Article on Same Sovereign Citizen  
Convicted of Violating Federal Tax Law

Example of Sovereign Citizen Filing

LOCAL

### Former Columbia postal worker convicted of tax fraud

Posted by Rachael Myers Lowe

[rlowe@thestate.com](mailto:rlowe@thestate.com)



MARCH 17, 2017 04:26 PM, UPDATED MARCH 17, 2017 08:26 PM

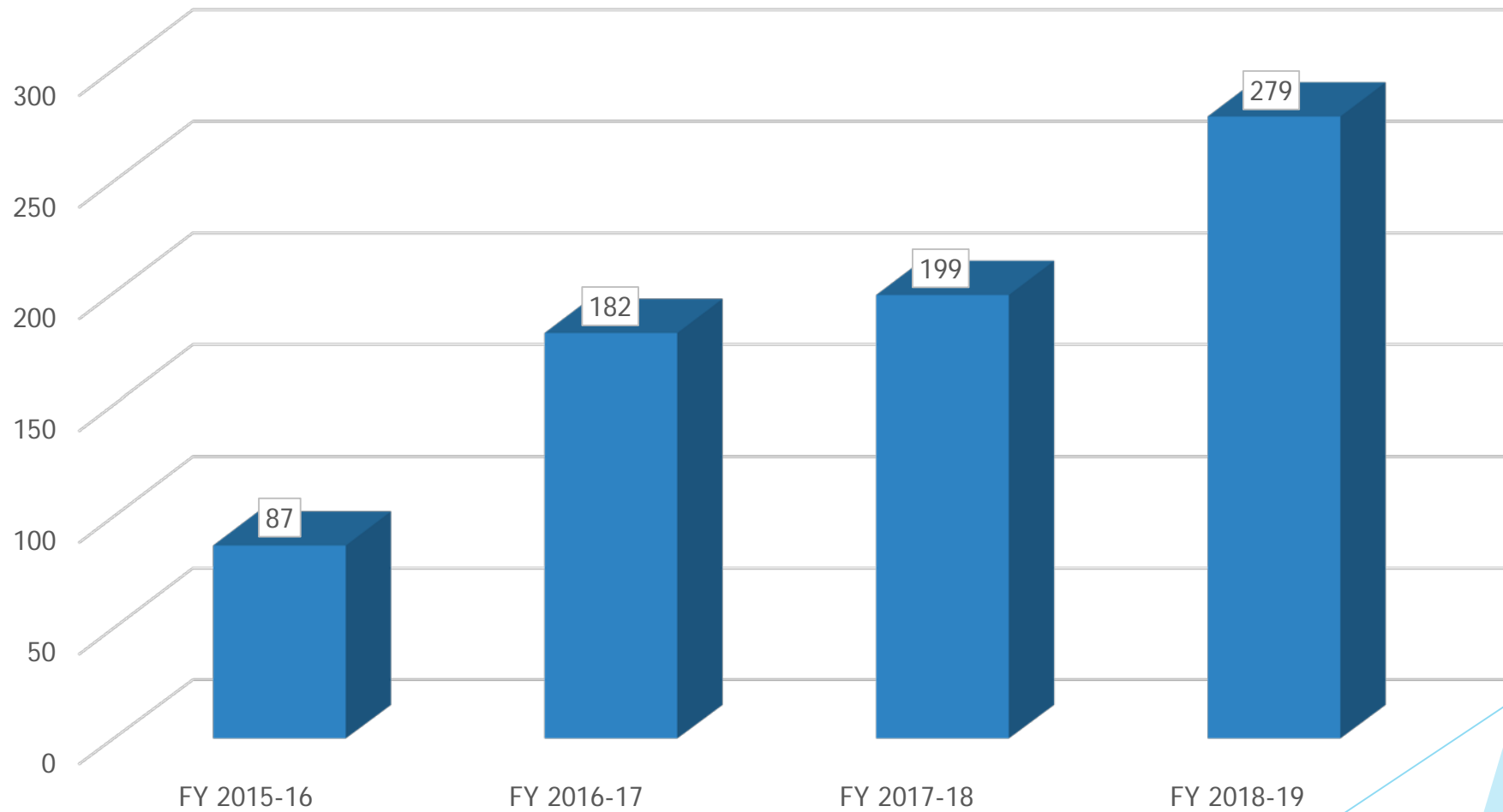
COLUMBIA, SC

Although he worked for the U.S. Postal Service, Larry Singleton has ties to the “sovereign citizen” movement that denies the authority of federal, state and local governments and the laws, policies and regulations US citizens are required to follow, U.S. Attorney Beth Drake said in a news release announcing the 60-year-old Columbia man’s conviction.

Singleton pleaded guilty in federal court to one count of interfering with the administration of tax law. The federal case against him presented facts about bad checks, unpaid taxes and a fraudulent claim of identity theft.

Singleton argued that his tax liability must be changed because his identity was stolen. He was accused of trying to pay a \$72,000 tax bill with a fake check, trying to buy an automobile with a fake check and trying to make a bank deposit with a fake check written for hundreds of thousands of dollars, the government said.

## Sovereign Citizen Filings Rejected and/or Forwarded to Law Enforcement



# Investigation of Violations of Private Personnel Placement Services Act & Special Purpose District Filing Delinquencies

Deliverable Nos. 48 & 49

- ▶ The Secretary of State has the authority to investigate filing deficiencies involving employment agencies and special purpose districts.
- ▶ These deliverables will be discussed further in Deliverable Group 4.

Provided under S.C. Code  
§ 41-25-110, § 6-11-  
1640(A)

Customers:  
Private Personnel  
Placement Services;  
Special Purpose Districts

Outcome Sought by  
Agency/Legislative Intent:  
Comply with duties outlined in  
SC Private Personnel Placement  
Services Act; That public trust  
be secured by requiring special  
purpose districts to register and  
report financial and other  
activities. (1984 Act No. 488)



# Trademark & Service Mark Registration

The purpose of the Trademarks and Service Marks Act of 1993 is to “provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection under the Trademark Act of 1946, as amended.”





# Trademark & Service Mark Registration

- ▶ A person, which may be an individual or entity, may file an application to register a trademark or service mark with the Secretary of State's Office.
- ▶ To qualify for registration, a mark must be in use, which is defined as the bona fide use of a mark in the ordinary course of trade. A mark is considered in use:
  - ▶ On goods when placed on the goods, containers, or displays associated with goods or containers; tags or labels affixed to the goods or containers; or documents associated with goods if the nature of the goods makes placement impracticable.
  - ▶ On services when used or displayed in sale or advertising of services rendered in this State.
- ▶ An applicant cannot register a mark merely to reserve a right in a mark prior to it being in use.



# Trademark & Service Mark Registration Application

## Deliverable No. 50

Required by S.C. Code  
§§ 39-15-1105, -1120,  
-1125, -1140, -1185

Customers:  
Persons seeking to  
register a trademark or  
service mark

In an application for a trademark or service mark, an applicant must provide the following information:

- ▶ The name and business address of the applicant and, if an entity, the state in which the entity is organized;
- ▶ The goods or services in connection with which the mark is used;
- ▶ The mode or manner in which the mark is used;
- ▶ The class(es) in which the goods or services fall;
- ▶ The date the mark was first used anywhere and in this State; and
- ▶ If the applicant has filed an application to federally register the mark, the filing date, serial number, status, and outcome of the application.

**State of South Carolina**  
**Application for Registration of a Trademark or Service Mark**

**Part 1: Type of Application**  
☐ New mark: \$15.00 per class  
☐ Renewal of existing mark: \$5.00 flat fee for application  
Check one ☐ Trademark OR ☐ Service Mark  
(Trademarks/Service Marks cannot be combined on same form)

**Part 2: Applicant Information and Mark**

1. Name of Applicant: \_\_\_\_\_

2. Applicant's principal place of business address: \_\_\_\_\_

3. Applicant's place of business address in South Carolina, if any: \_\_\_\_\_

4. Applicant is: ☐ an individual or sole proprietor  
☐ a corporation duly organized under the laws of the State of \_\_\_\_\_  
☐ a limited liability company duly organized under the laws of the State of \_\_\_\_\_  
☐ a partnership duly organized under the laws of the State of \_\_\_\_\_  
Names of General Partners: \_\_\_\_\_  
☐ other \_\_\_\_\_

Please note that the entity type must match the applicant noted in question (1). For example, applicant John Smith would be an individual or sole proprietor, while ABC Company, Inc. would be a corporation.

5. Describe the look of the mark, including any wording and/or graphics: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
The mark described must be present on the three (3) identical specimens submitted with the application.

6. The actual goods or services in connection with which the mark is used (for example, a social club, heating repair services, perfume, BBQ sauce): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. The mode or manner in which the mark is used (please see paragraphs (7) and (11) of the instructions for additional information): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. The class(es) in which the goods or services fall: \_\_\_\_\_  
Please make your selection of classes from the "Classes of Goods and Services" provided in the instructions. Trademark classes are listed under Section 39-15-1150(B), while service mark classes are listed under Section 39-15-1150(C).

9. The mark, with respect to the goods or services identified above, was first used by applicant or predecessor in interest as follows (include month, day, and year):  
Date of first use anywhere: \_\_\_\_/\_\_\_\_/\_\_\_\_ month day year  
Date of first use in South Carolina: \_\_\_\_/\_\_\_\_/\_\_\_\_ month day year

10. Has the applicant, or any predecessor in interest, ever filed an application to register this mark or portions of this mark or a composite of this mark with the United States Patent and Trademark Office? ☐ YES ☐ NO  
If you answered "YES", please list the filing date, serial number and status of each application. If an application was finally refused registration or has otherwise not resulted in registration, please state the reason for this: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Legislative Intent:** To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

# Trademark & Service Mark Registration Application

## Deliverable No. 50

In addition, the application requires the following:

- ▶ A statement that the applicant is the owner of the mark, that the mark is in use, and that to the knowledge of the applicant, no other person has registered either federally or in South Carolina, or has the right to use this mark in its identical form or in near resemblance as to be likely, when applied to the goods or services of another person, to cause confusion or to cause mistake or to deceive;
- ▶ Three specimens showing the mark in use; and
- ▶ A fee of \$15.00 for each class selected by the applicant.

11. Please enclose three (3) original, identical specimens showing the mark as actually used in promoting the product, good or service (for example, three (3) identical brochures OR three (3) identical photos of a T-shirt). The specimens must reflect the mark as described in answer to question (5) of this application. *Letterhead, business cards, or invoices are not acceptable specimens for a trademark. Computer generated images and printer's proofs are not acceptable specimens for a trademark or a service mark.*

The following specimens are acceptable for a trademark:

- 3 identical photographs of the goods that show use of the mark on the goods; OR
- 3 tags or labels for the goods; OR
- 3 containers for the goods; OR
- 3 identical photos of a display associated with the goods.

The following specimens are acceptable for a service mark:

- 3 actual business cards or pieces of letterhead showing the mark in connection with the service; OR
- 3 identical photos of a sign; OR
- 3 original brochures about the service (including menus); OR
- 3 actual advertisements for the service (including advertisements from newspapers or magazines); OR
- 3 color print-outs of the mark used on the applicant's Website; OR
- 3 identical photographs that show the mark as used in advertising the service (example: a photograph of a billboard).

### Part 3: Declaration of Ownership

Applicant herewith declares that he/she has read the above and foregoing application and knows the contents thereof and that the facts set out herein are true and correct, that the three (3) specimens of the mark submitted are true and correct, that the applicant is the owner of the mark, and that the mark is in use. Additionally, to the knowledge of the person verifying this application, no other person has registered this mark either federally or in this State, or has the right to use this mark in its identical form or in near resemblance as to be likely, when applied to the goods or services of another person, to cause confusion or to cause mistake or to deceive.

Do not complete the "Declaration of Ownership" until you are in the presence of a notary public. Please note that the "Notary" date and the "Signature" date must be the same; if not, the application will be rejected.

Sworn to and subscribed before me

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signature of Notary

Notary Public of State of

My Commission Expires:

Signature of Applicant

Printed Name of Applicant

Title

Telephone Number

Date

NOTE: THE ACCEPTANCE OF A TRADEMARK OR SERVICE MARK FOR REGISTRATION BY THE OFFICE OF THE SECRETARY OF STATE PROVIDES THE OWNER WITH A RIGHT TO USE SUCH MARK IN THE STATE OF SOUTH CAROLINA ON THE GOODS AND SERVICES IDENTIFIED IN THE REGISTRATION APPLICATION. HOWEVER, THE OFFICE OF THE SECRETARY OF STATE IS NOT REQUIRED TO SEARCH OTHER STATE OR FEDERAL REGISTRATIONS, INTERNET DOMAIN NAMES OR OTHER COMMON LAW (UNREGISTERED) USERS; THEREFORE, RIGHTS GRANTED BY THIS REGISTRATION MAY BE AFFECTED OR PREEMPTED BY PRIOR USE OR OTHER REGISTRATION OF THE MARK.

Please mail your completed application, specimens and payment to: South Carolina Secretary of State's Office  
Attn: Trademarks Division  
1205 Pendleton Street, Suite 525  
Columbia, SC 29201

TRADE-TRADEMARK REGISTRATION.DOC  
FORM REVISED JULY 2016

Required by S.C. Code  
§§ 39-15-1105, -1120,  
-1125, -1140, -1185

Customers:  
Persons seeking to  
register a trademark or  
service mark

**Legislative Intent:** To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

# Trademark & Service Mark Registration Application

## Deliverable No. 50


Required by S.C. Code  
§§ 39-15-1105, -1120,  
-1125, -1140, -1185

Customers:  
Persons seeking to register  
a trademark or service  
mark

*The State of South Carolina*


TRADEMARK  
REGISTRATION

SERVICE MARK  
REGISTRATION



*Office of Secretary of State Mark Hammond*  
I, Mark Hammond, Secretary of State, hereby certify that the following mark  
has been registered in this state according to the provisions of the  
South Carolina Code of Laws Section 39-15-1105 et seq. to:

Wee Little Dogs LLC  
1208 Schrimmer Avenue  
Mount Pleasant, SC 29464




**Description:** The mark consists of the words "Wee Little Dogs" with the "i" in "Little" dotted with a paw print, and the "o" in "Dogs" as a paw print. Above the text are four dogs leaning on a fence. Dog 1 is light brown, wearing a bowtie; dog 2 is white and has a bow on her head; dog 3 is off-white and wearing a bow tie; dog 4 is brown, wearing bow tie. Each dog has a red tongue.

**Description of** Dog daycare and overnights.

**Goods or Services:**

**Date of First Use:** 1/1/2007  
**Date of First Use in South Carolina:** 1/1/2007  
**Registration Date:** 5/23/2019  
**Expiration Date:** 5/23/2024  
**Class of Goods or Services:** Service mark class(es) #1  
If an Entity, Organized under the Laws of South Carolina

Given under my hand and Great Seal of the  
State of South Carolina on May 23, 2019

  
Mark Hammond, Secretary of State

Certificate No.: 233948

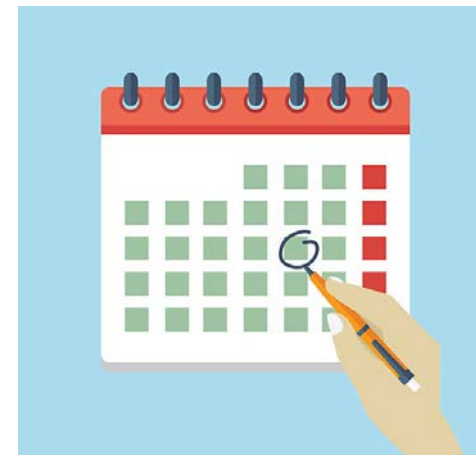
- ▶ Upon registration, the Secretary of State issues a certificate to the registrant indicating the date of registration, date of expiration, classes of goods or services, and a depiction of the mark as described by the applicant.

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

# Trademark & Service Mark Registration Renewal

## Deliverable No. 51

- ▶ Trademark and service mark registrations are in effect for a five year period and may be renewed at any time in the six months prior to expiration of the mark.
- ▶ To renew registration of a trademark or service mark, an applicant completes the same application as when the applicant initially registered the mark.
- ▶ The main difference is that the fee for a renewal is \$5.00 per application.



Required by S.C. Code  
§§ 39-15-1130, -1185

Customers:  
Owners of previously-  
registered trademarks or  
service marks

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)



# Trademark & Service Mark Registration Assignment

## Deliverable No. 52

- ▶ A mark that has been registered with the Secretary of State's Office may be assigned with the good will of the business in which the mark is used or with that part of the good will of the business connected with the use of and symbolized by the mark.
- ▶ The applicant for an assignment completes an assignment application providing information regarding the mark and its new owner and submits it along with specimens and a copy of the agreement transferring ownership of the mark to the assignee.
- ▶ The Secretary of State's Office issues a new certificate for the remainder of the term of the registration to the assignee.
- ▶ The fee for an assignment is \$3.00.

Required by S.C. Code  
§§ 39-15-1135, -1185

Customers:  
Owners of registered  
trademarks or service  
marks; Persons receiving  
assignment of the marks

Legislative Intent: To provide a  
system of state trademark  
registration and protection  
substantially consistent with the  
federal system of trademark  
registration and protection.  
(Section 4, 1994 Act No. 486)

# Rejection of Trademark & Service Mark Filings

## Deliverable No. 53

The Secretary of State will reject an application for registration of a mark if it does not include the information required on the application or if it:

- ▶ Is immoral, deceptive, or scandalous;
- ▶ Disparages or falsely suggests a connection with a person, institution, belief, or national symbol;
- ▶ Consists of or includes the flag, coat of arms, or insignia of the United States, a state or municipality, or a foreign nation; or
- ▶ Consists of or includes a name, signature, or portrait of a living individual without consent.

Provided under S.C. Code  
§§ 39-15-1110, -1115,  
-1120, -1130, -1135, -1185

Customers:  
Persons seeking to register a  
trademark or service mark

Legislative Intent: To provide a  
system of state trademark  
registration and protection  
substantially consistent with the  
federal system of trademark  
registration and protection.  
(Section 4, 1994 Act No. 486)

# Rejection of Trademark & Service Mark Filings

## Deliverable No. 53

Provided under S.C. Code  
§§ 39-15-1110, -1115,  
-1120, -1130, -1135, -1185

Customers:  
Persons seeking to register a  
trademark or service mark

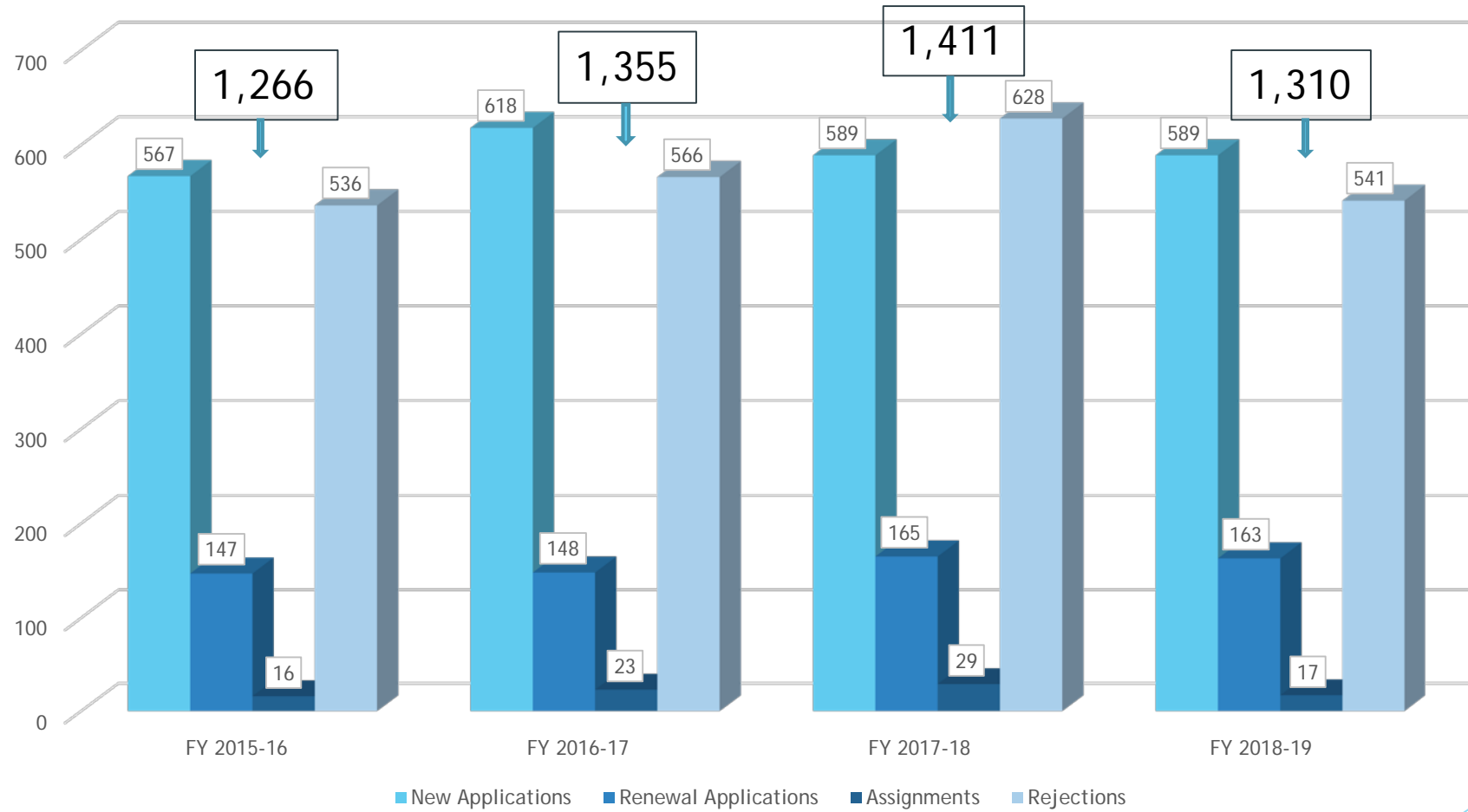
The Secretary of State most commonly rejects an application for registration of a mark if it:

- ▶ Is merely descriptive or deceptively misdescriptive of the applicant's goods or services;
- ▶ Is primarily geographically descriptive or deceptively misdescriptive of the applicant's goods or services;
- ▶ Is merely a proper name or surname; or
- ▶ So resembles a mark registered in this State or previously used and not abandoned by another person in this State as to be likely to cause confusion or mistake or to deceive when used on or in connection with the applicant's goods or services.

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)



## Number of Trademark and Service Mark Filings Processed



# Appeal of Denial to Register a Trademark or Service Mark

Deliverable No. 54

Provided under S.C. Code  
§ 39-15-1120

Customers:  
Persons seeking to register  
a trademark or service  
mark

- ▶ If the Secretary of State's Office finally refuses registration of a mark, the applicant may appeal the decision to the circuit court of Richland County in accordance with the Administrative Procedures Act.
- ▶ No appeals have been filed during the years included in the Program Evaluation Report.

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

Customers:  
Persons seeking to register  
a trademark or service  
mark; General Public

# Publication of Active Trademarks & Service Marks

## Deliverable No. 55

Trademark/Service Mark Name	Mark Type	Goods Or Services	Class Number	Applicant Name	Expiration Date
5 the number and design	ServiceMark	Advertising services in the nature of participating in Winston Cup NASCAR stock car events using automobiles as an advertising display medium; entertainment services in the nature of participating in professional auto races.	1, 7	Hendrick Motorsports, LLC	03/20/2021
7 within a splatter pattern, SVN SZN Entertainment	ServiceMark	Entertainment.	1, 7	Jaczuile Pegues	03/15/2024
843 connected by lines to resemble the Ravenel Bridge in Charleston	Trademark	Apparel; t-shirts; polos; outerwear; decals.	16, 25	Stark Shapleigh	04/28/2022
864 AUTO.COM with SC shape and yellow triangle	ServiceMark	Automotive.	1	VIP Marketing & Advertising	03/19/2020
9 as a man kicking a soccer ball, DEETO'O	Trademark	Clothing, shoes, watches, backpacks.	25	Justus Che	01/16/2024
9 doves forming shape of palmetto tree, 1 veering off to the heavens	ServiceMark	Promotion of stickers, banners, shirts, ads, hats, etc., for non-profit organizations, retail stores.	1, 4, 7, 8	Gil Shuler Graphic Design, Inc.	07/28/2020
9 doves forming shape of palmetto tree, 1 veering off to the heavens	Trademark	Stickers, banners, shirts, ads, hats, etc., for non-profit organizations, retail stores.	12, 14, 16, 18, 25	Gil Shuler Graphic Design, Inc.	07/28/2020
93.1 THE LAKE FEEL-GOOD FAVORITES	ServiceMark	A radio station brand broadcasting music and announcements.	1, 4, 7, 8	Midlands Media Group LLC	02/26/2024
94.9 THE Palm, palm tree centered in a circle	ServiceMark	Radio broadcasting services.	4	Alpha Media LLC	10/12/2023
A 4orce 4 Life with lightening	ServiceMark	Sale of alkaline water products.	1	Danny Attenborough	01/05/2023
A 4orce 4 Life with lightening	Trademark	Alkaline water product.	32	Danny Attenborough	10/13/2022
A Better Place To Start	ServiceMark	Credit Union services	2	Heritage Trust Federal Credit Union	11/22/2021
A CHANGE OF GREENERY, Irrigation & Landscaping with water drops, plants, rectangles	ServiceMark	Irrigation, sprinkler, landscape and yard maintenance.	1	Christopher Don Compo	02/14/2024

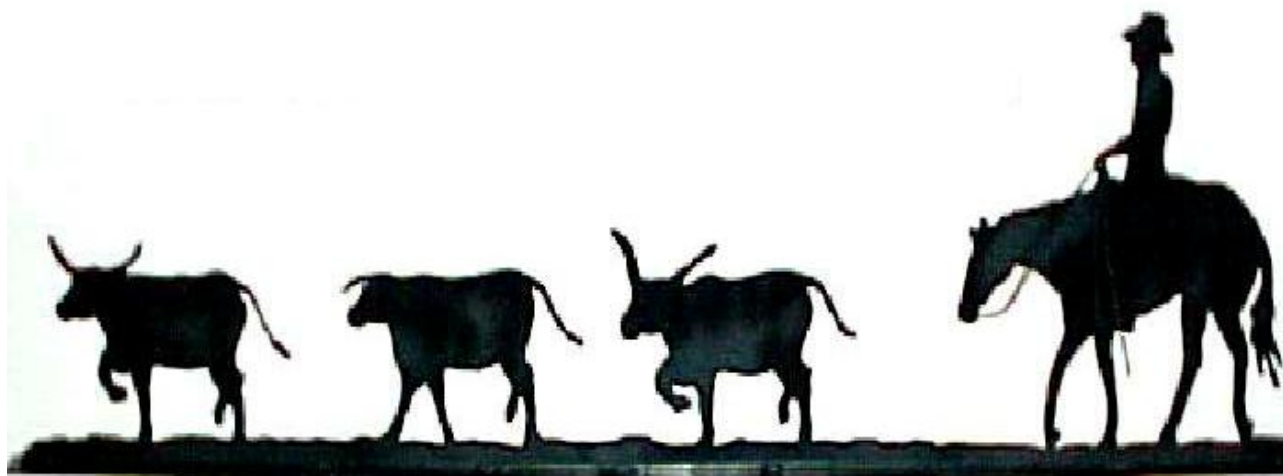
- ▶ S.C. Code of Laws §39-15-1140 requires that the Secretary of State keep a record of all registered and renewed marks and assignments of marks for public examination.
- ▶ In compliance with this section, the Secretary of State provides a listing of all current trademarks and service marks on its website that is updated daily. This allows customers to determine whether the mark they would like to register is currently in use or similar to a mark that is already registered.

Legislative Intent: To provide a system of state trademark registration and protection substantially consistent with the federal system of trademark registration and protection. (Section 4, 1994 Act No. 486)

# Livestock Brands & Earmarks Registration

## Deliverable No. 56

- ▶ A person may apply to register an earmark or brand for branding livestock with the Secretary of State's Office.
- ▶ The fee is \$3.00 and upon registration, the Secretary of State issues a certificate to the owner showing the brand or earmark that has been registered and the place where the brand will appear on the livestock.



Required by S.C. Code  
§§ 47-9-260, -270, -280,  
-330, -340, -390, -400

Customers:  
Owners or stock owners of  
cattle, horses, mules,  
asses, hogs, sheep and  
goats

Outcome Sought by Agency:  
Record unique livestock  
brands for owners of cattle,  
horses, mules, asses, hogs,  
sheep and goats to facilitate  
identification of ownership.

# Livestock Brands & Earmarks Registration

## Deliverable No. 56

- ▶ To register a livestock brand or earmark, the applicant must provide:
  - ▶ A facsimile of the desired brand;
  - ▶ A written application to adopt the brand;
  - ▶ A statement as to where the brand will appear on the livestock;  
and
  - ▶ A \$3.00 fee.

Required by S.C. Code  
§§ 47-9-260, -270, -280,  
-330, -340, -390, -400

Customers:  
Owners or stock owners of  
cattle, horses, mules,  
asses, hogs, sheep and  
goats

Outcome Sought by Agency:  
Record unique livestock  
brands for owners of cattle,  
horses, mules, asses, hogs,  
sheep and goats to facilitate  
identification of ownership.

# Rejection of Livestock Brand & Earmark Filings

## Deliverable No. 57

The Secretary of State will reject an application for a livestock brand or earmark if the required information is not provided or if the applicant does not meet the statutory requirements for registration (for example, if the applicant is already the owner of another registered livestock brand or earmark.)

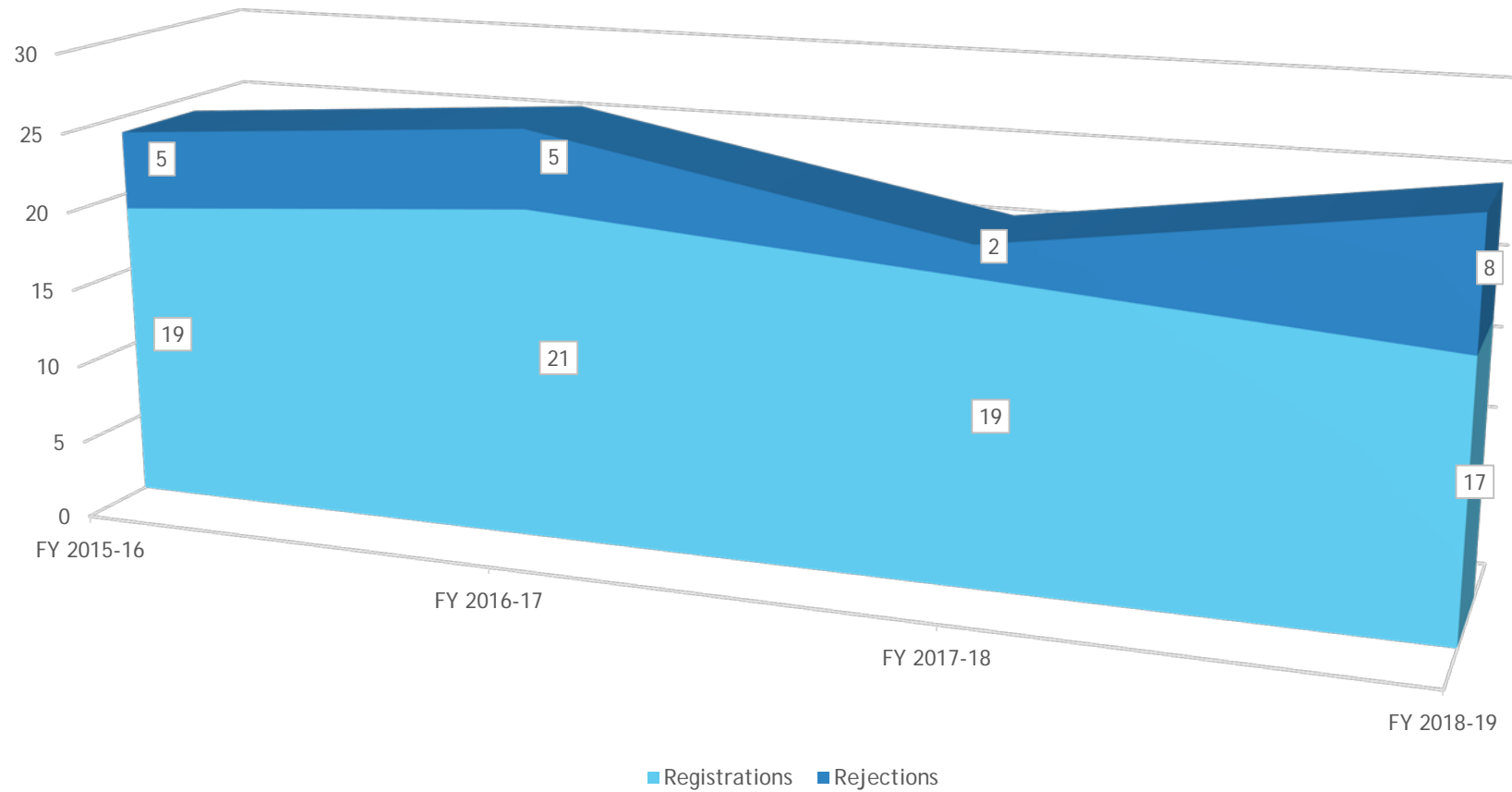


Required by S.C. Code  
§ 47-9-270

Customers:  
Owners or stock owners of  
cattle, horses, mules,  
asses, hogs, sheep and  
goats

Outcome Sought by Agency:  
Record unique livestock  
brands for owners of cattle,  
horses, mules, asses, hogs,  
sheep and goats to facilitate  
identification of ownership.

## Livestock Brands and Earmarks Filings



# Performance Measures Related to Investigations & Trademarks Deliverables

- ▶ Performance Measure No. 4: Protect data and records and provide staff additional tools to fulfill statutory duties. (Create centralized investigations database application for charities, professional fundraisers, raffles, investigations and trademark violations.)
- ▶ Performance Measure No. 5: Protect data and records and provide staff additional tools to fulfill statutory duties. (Create database and applications for municipal incorporations, railroads, landlord-tenants, business opportunities and special purpose districts.)
- ▶ Performance Measure No. 12: Improve search capabilities for customer inquiries.
- ▶ Performance Measure No. 17: Provide public additional online information.



Performance Measure No. 4: Protect data and records and provide staff additional tools to fulfill statutory duties. (Create centralized investigations database application for charities, professional fundraisers, raffles, investigations and trademark violations.)

- ▶ In FY 2017-18, a new investigations application was launched. This application provided a centralized database for investigative staff to track investigations related to trademarks, business opportunities, and employment agencies. Development of the application began in FY 2016-17.
- ▶ In FY 2019-20, the investigations database was expanded to track sovereign citizen filings.

Performance Measure No. 5: Protect data and records and provide staff additional tools to fulfill statutory duties. (Create database and applications for municipal incorporations, railroads, landlord-tenants, business opportunities and special purpose districts.)

- ▶ In FY 2014-15, the Secretary of State launched a public officials database application that included special purpose districts. This will be discussed further under Deliverables Group 4.

Performance Measure Nos. 12 & 17: Improve search capabilities for customer inquiries and provide public additional online information.

- ▶ In FY 2016-17, the Secretary of State's Office debuted an online listing of trademarks and service marks registered with the Secretary of State. The list is updated daily and includes the name of the trademark or service mark, the relevant goods or services and class numbers, the applicant's name, and the expiration date of the mark. This listing makes it easier for trademark customers to determine the availability of a mark, and improves the efficiency of the Trademarks Division by reducing the number of calls received from customers.
- ▶ That same year, the Secretary of State's Office also provided an online listing of livestock brands and earmarks that is updated daily.

# Revenue & Costs Related to Investigations & Trademarks Deliverables

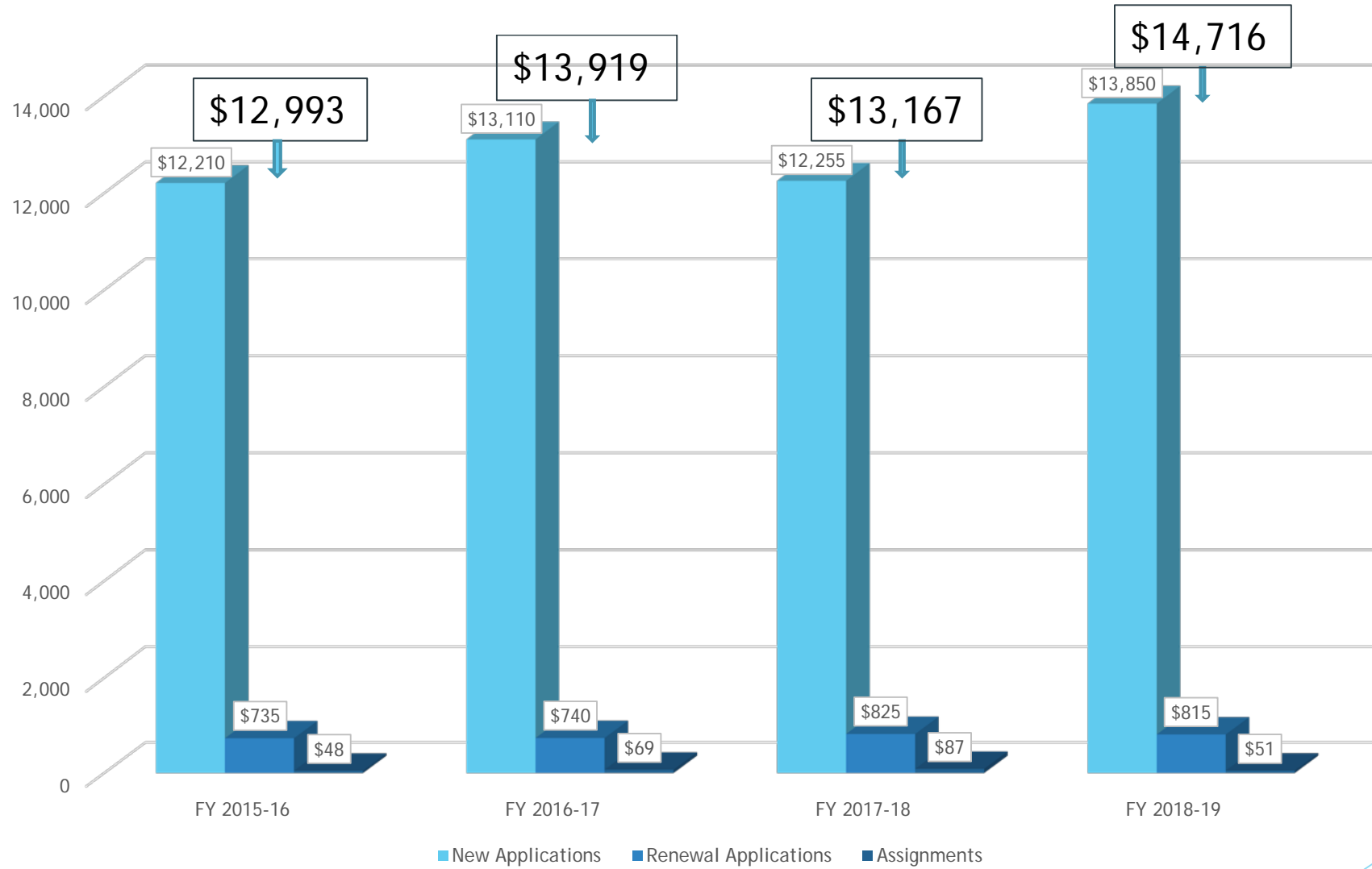
The Investigations & Trademarks Division collects fee revenue from the following sources:

- ▶ Trademark registration fees (\$15.00 per class\*)
- ▶ Trademark renewal fees (\$5.00 per application\*)
- ▶ Trademark assignment fees (\$3.00 per application\*)
- ▶ Livestock brand registration fees (\$3.00 per application\*\*)

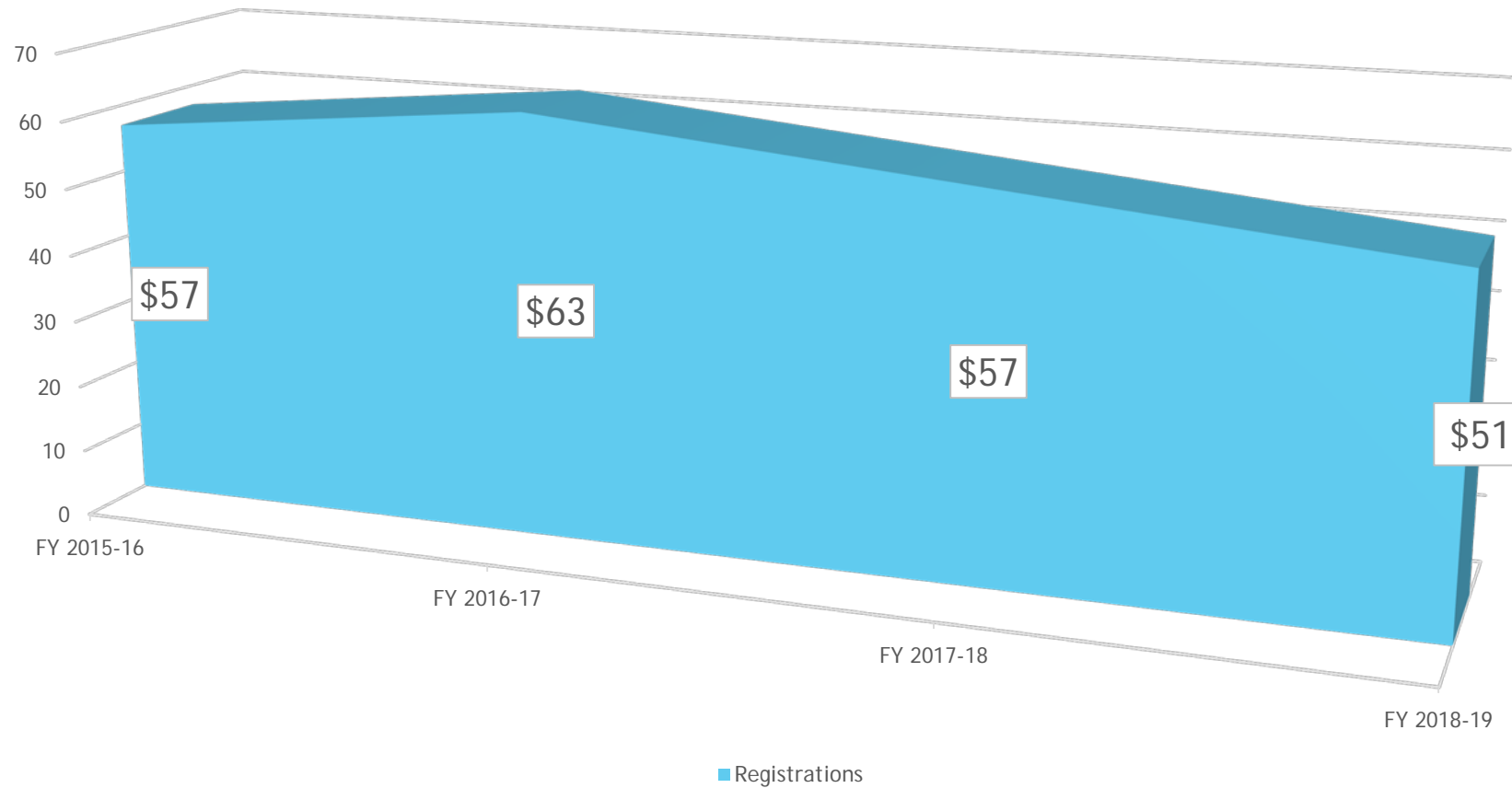
*\*Amount of fees have not increased since the initial passage of the Trademarks and Service Marks Act of 1993. (1994 Act. No. 486)*

*\*\*Amount of fees have not increased since the passage of 1952 Act No. 896.*

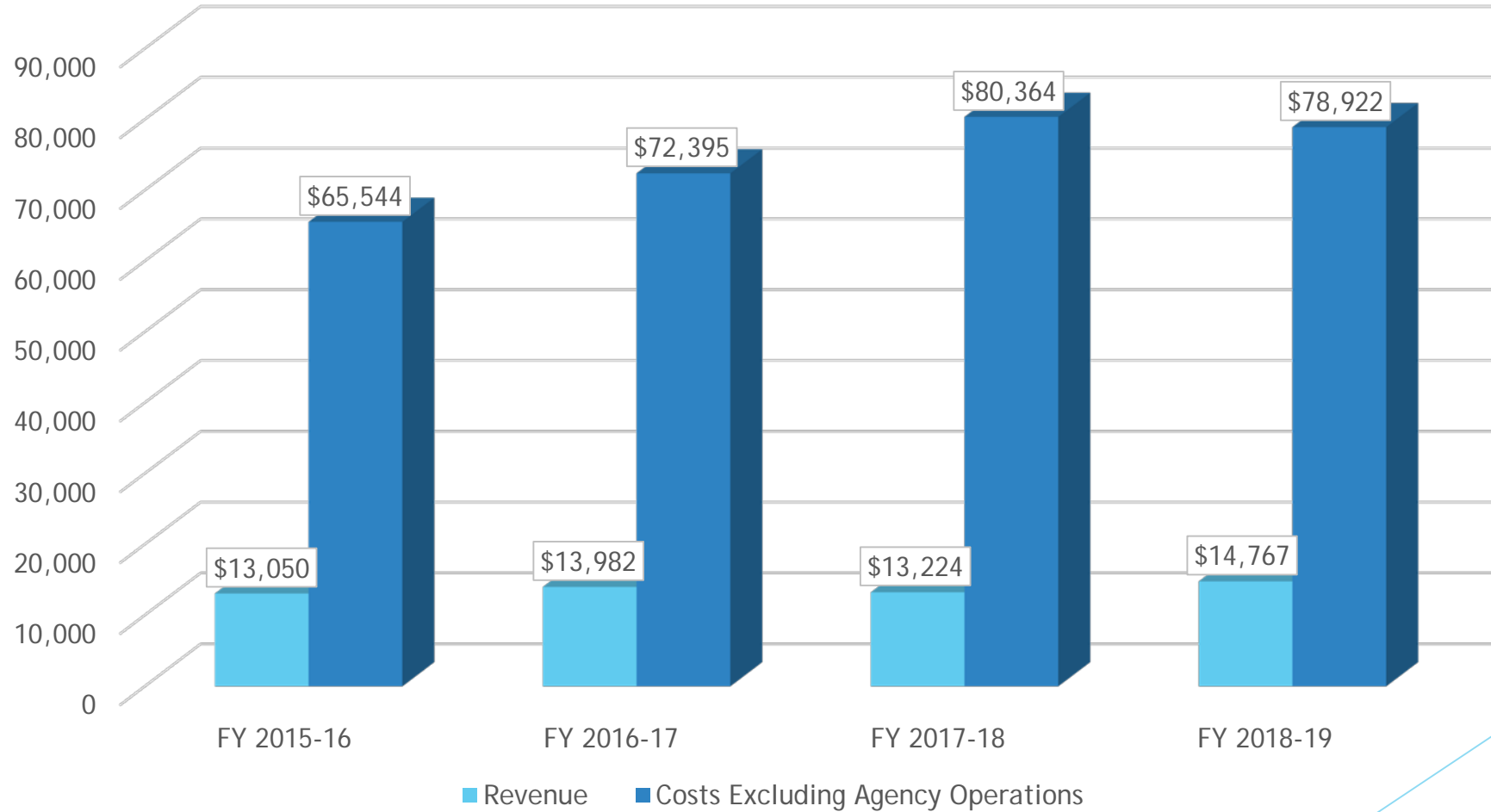
## Trademark and Service Mark Filing Fees Collected



## Livestock Brands and Earmarks Filing Fees Collected



## Comparison of Fee Revenue Collected by Investigations and Trademarks Division with Costs (Excluding Agency Operations)



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