

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

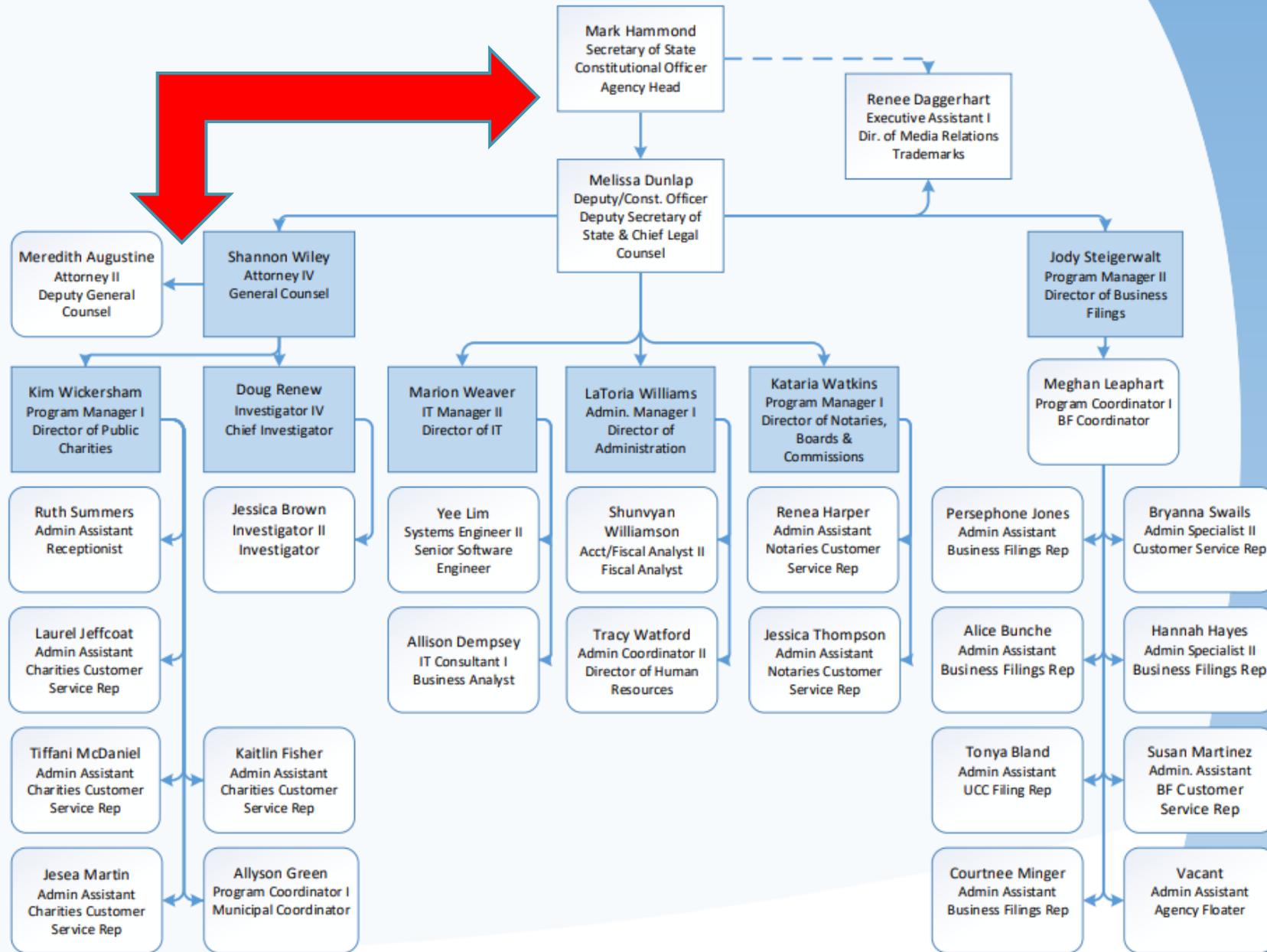
Divisions Grouped in Deliverable Group 1:

- ▶ 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.



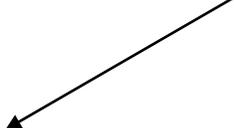
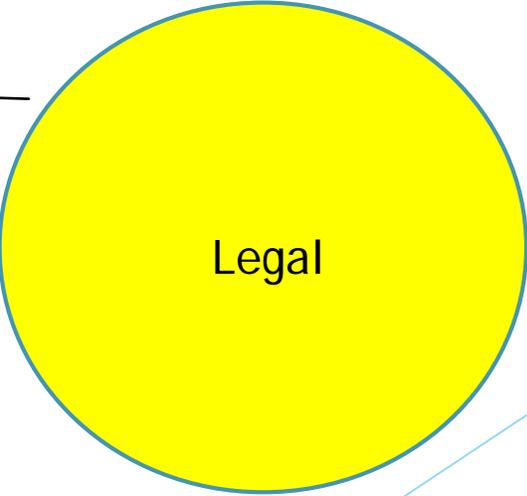
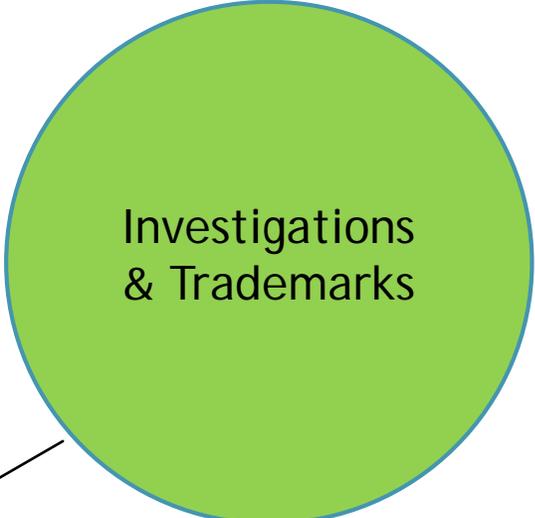
CHARITIES
REGULATION UNDER
SOLICITATION OF
CHARITABLE FUNDS ACT

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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 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@sos.sc.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:

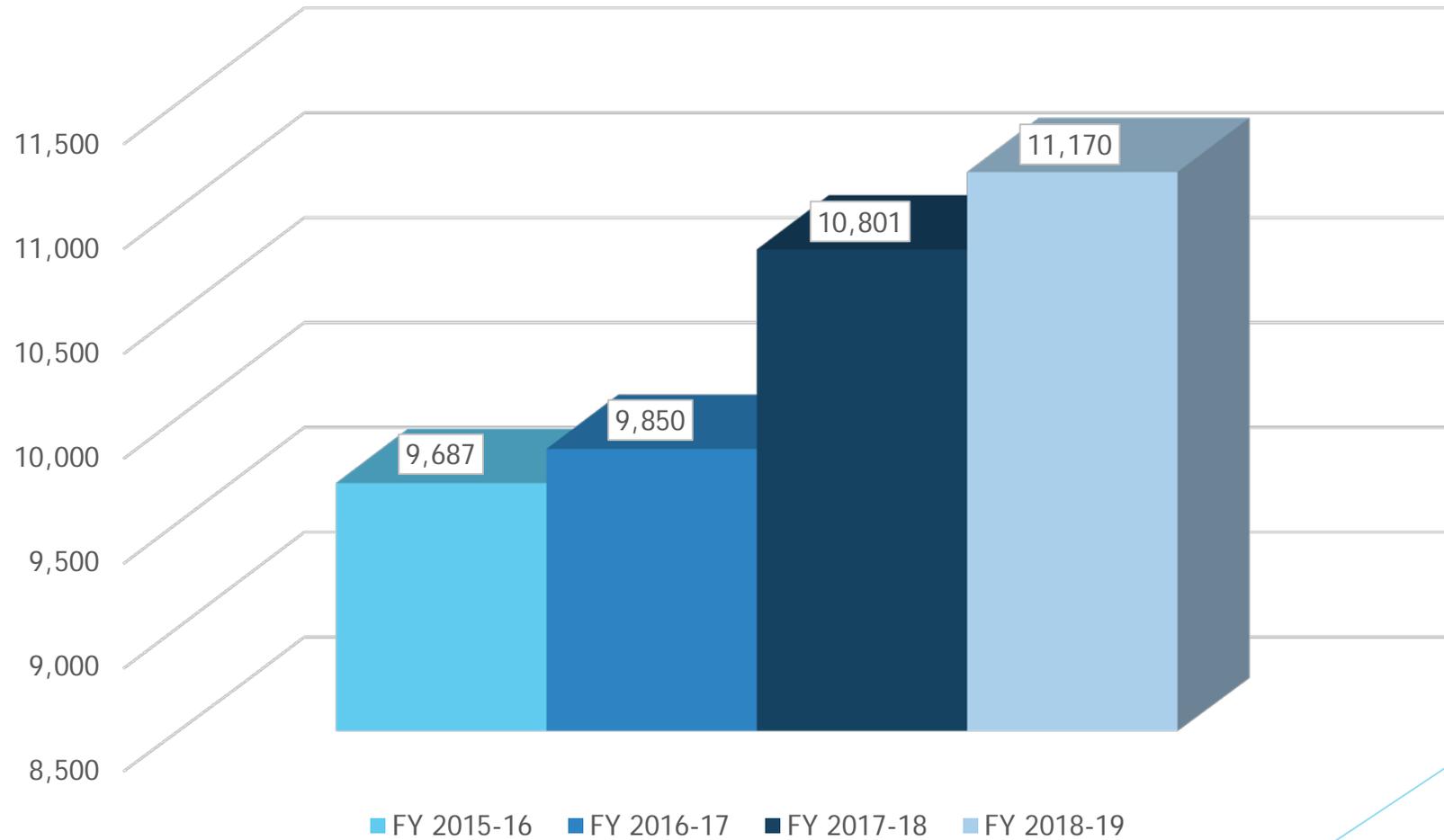
- ▶ Under Section 33-56-40, the Children's Trust Fund of South Carolina must register, but is not required to pay the \$50.00 filing fee.
- ▶ Under Section 33-56-45, fire departments must register, but a local governing body may pay a single \$50.00 filing fee for all fire departments within its jurisdiction.

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

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

Provided under S.C. Code
§ 33-56-50

Customer:
Charitable Organizations

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.
- 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.

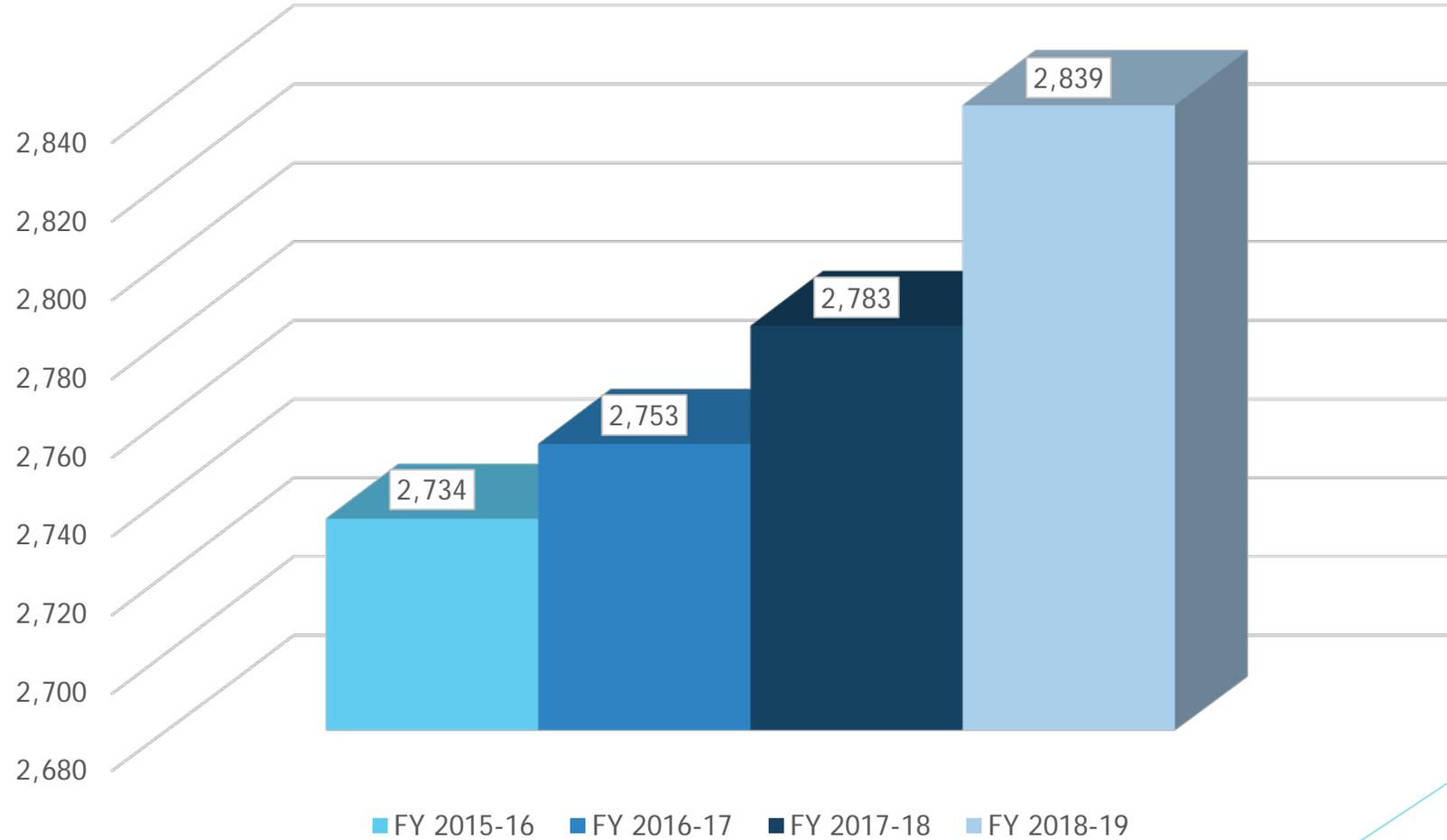
Annual Application for Registration Exemption, revised May 2013 Page 1 of 2

Provided under S.C. Code
§ 33-56-50

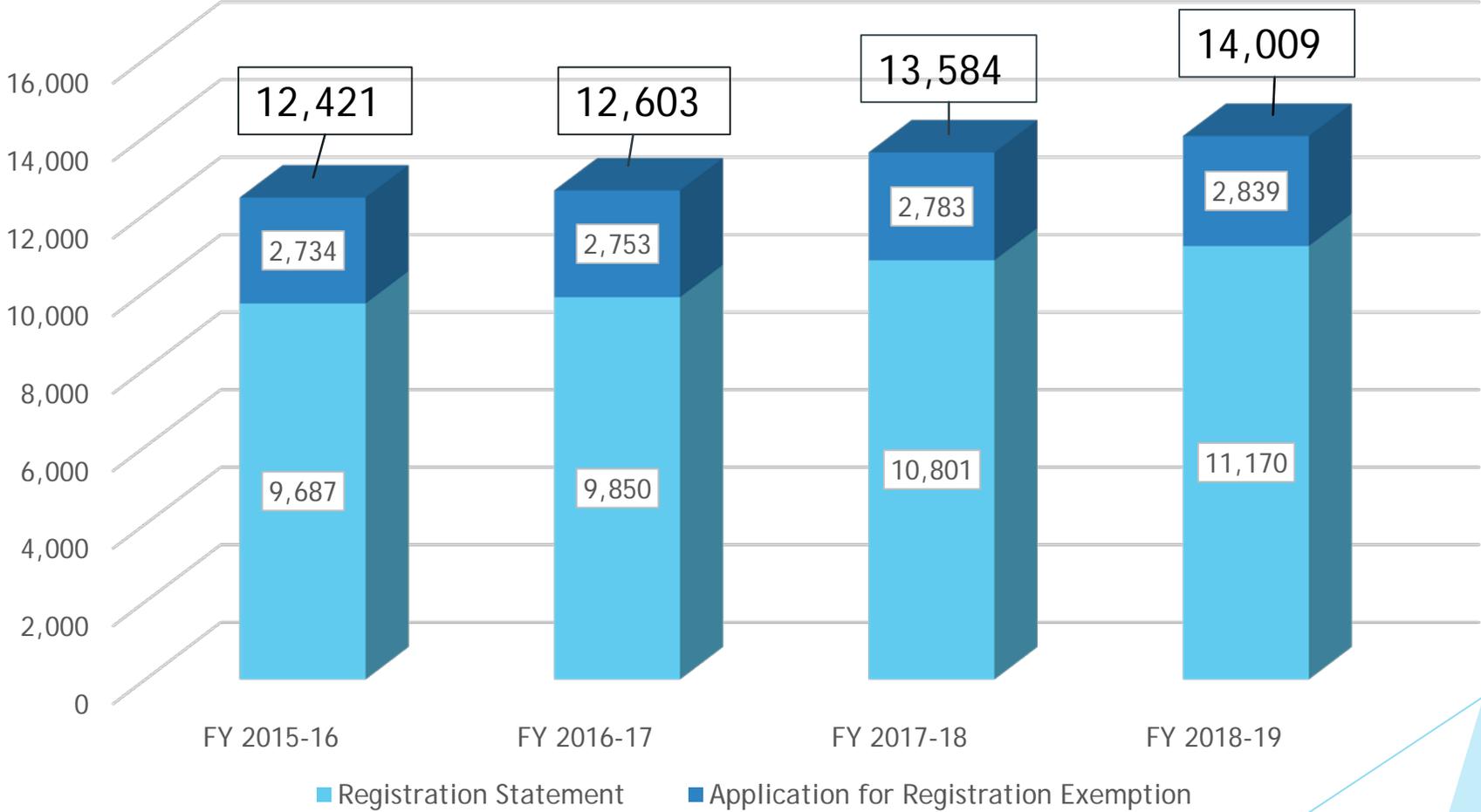
Customer:
Charitable Organizations

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

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

Customer:
Charitable Organizations

- ▶ 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

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.
- **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 or mail this form to: South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

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

Organization's Name: _____

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	12. Total Expenses (add 1E through 10E) →		\$ 0.00	\$ 0.00

Annual Financial Report, revised January 2017 Page 1 of 5

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



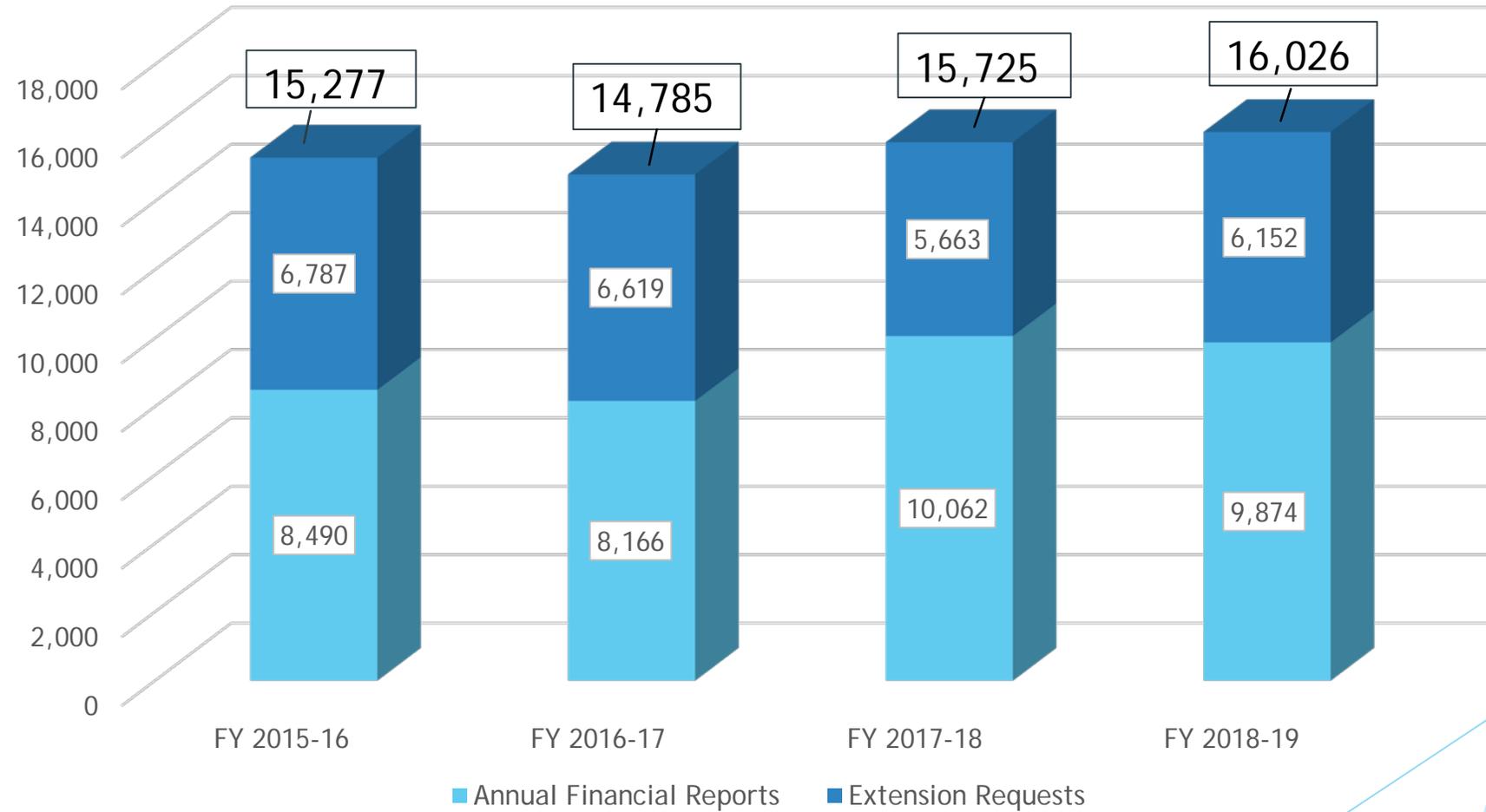
- ▶ Annual financial reports are due 4 ½ months after the end of the charitable organization's fiscal year.
- ▶ A charitable organization can request up to a six month extension to file their annual financial report.

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)

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 1st 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 1st.
- 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.
- Please type or print clearly.

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 _____

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.

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.
- 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.
- 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.
- 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.
- 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 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.**

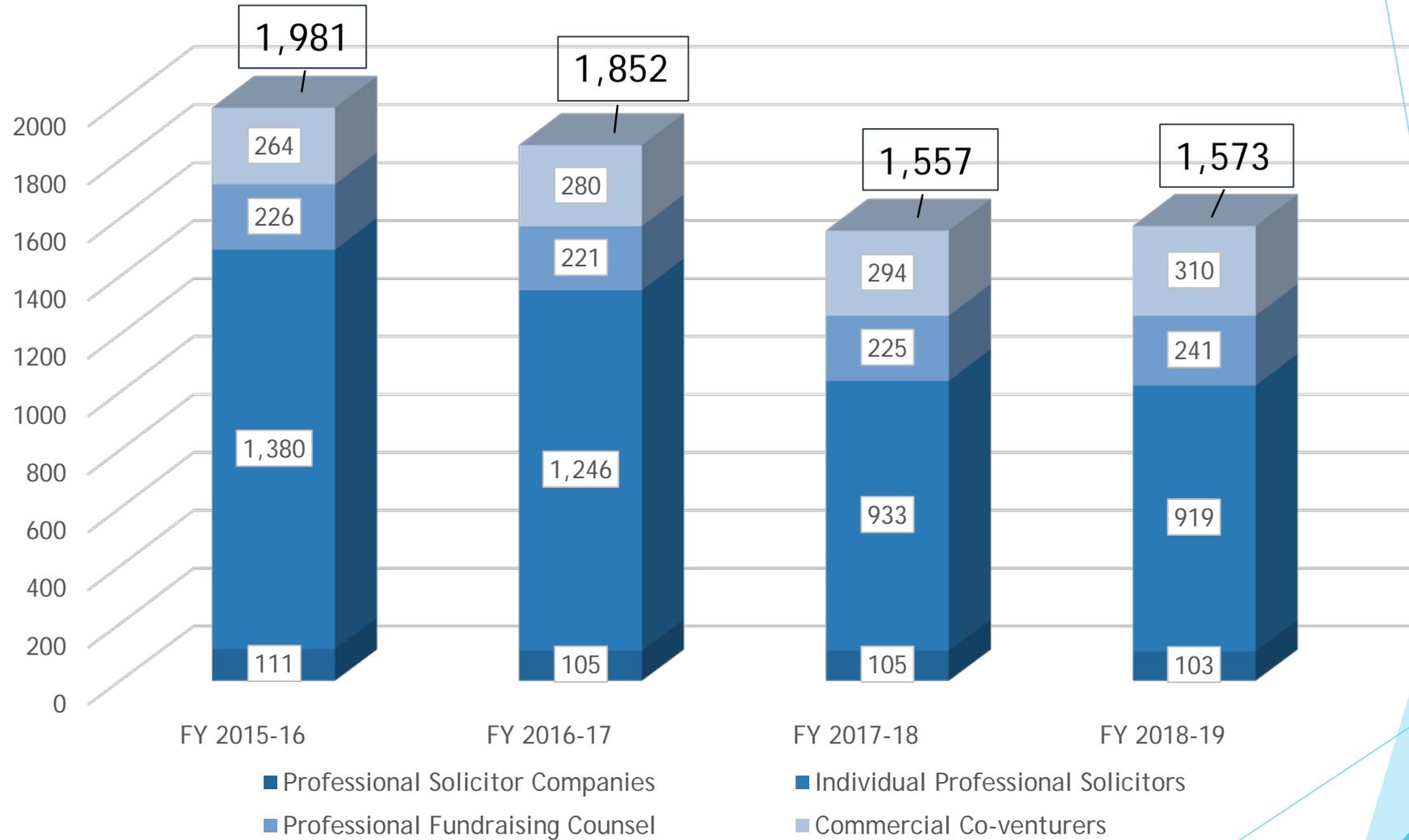
Registration Application, Commercial Co-venturer, Revised September 2015

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.

**SOUTH CAROLINA
SECRETARY OF STATE**
PUBLIC CHARITIES DIVISION
NOTICE OF SOLICITATION
PROFESSIONAL FUNDRAISING COMPANY - SOLICITOR

Filing Instructions

- 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.
- Please contact our office with any questions regarding this form at 803-734-1790 or charities@sos.sc.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.

Professional Fundraising Company Registered with the Secretary of State's Office	Charitable Organization Registered with the Secretary of State's Office
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 _____

INITIAL FILING OF FUNDRAISING CONTRACT

1. Solicitation in South Carolina: Start date: _____ End date: _____ or 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:
 Phone Mail Door to Door Print Media Electronic Media
 Bingo – Bingo Name: _____ Other (describe): _____
5. Minimum percentage of gross receipts guaranteed to charitable organization by contract _____, or other terms of remuneration _____

AMENDMENT TO AN EXISTING FUNDRAISING CONTRACT (Complete 1 and 2a or 2b)

1. Original solicitation in South Carolina: Start date: _____ End date: _____ or continuous.
- 2a. Parties are extending the end date to: _____ or will be continuous.
- 2b. Other: Specify the text of the amendment (provide attachment if necessary):

Notice of Solicitation, PFR Solicitor, revised April 2012

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)

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**

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.
- Mail to South Carolina Secretary of State, Attn: Division of Public Charities, 1205 Pendleton St., Suite 525, Columbia, SC 29201.

Professional Fundraising Company Registered with the Secretary of State's Office	Charitable Organization Registered with the Secretary of State's Office
Registration No. _____ Phone _____	Registration No. _____ Phone _____
Full Legal Name _____	Full Charity Name _____
DBA _____	DBA _____
Address _____	Address _____
City, State, Zip _____	City, State, Zip _____

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.

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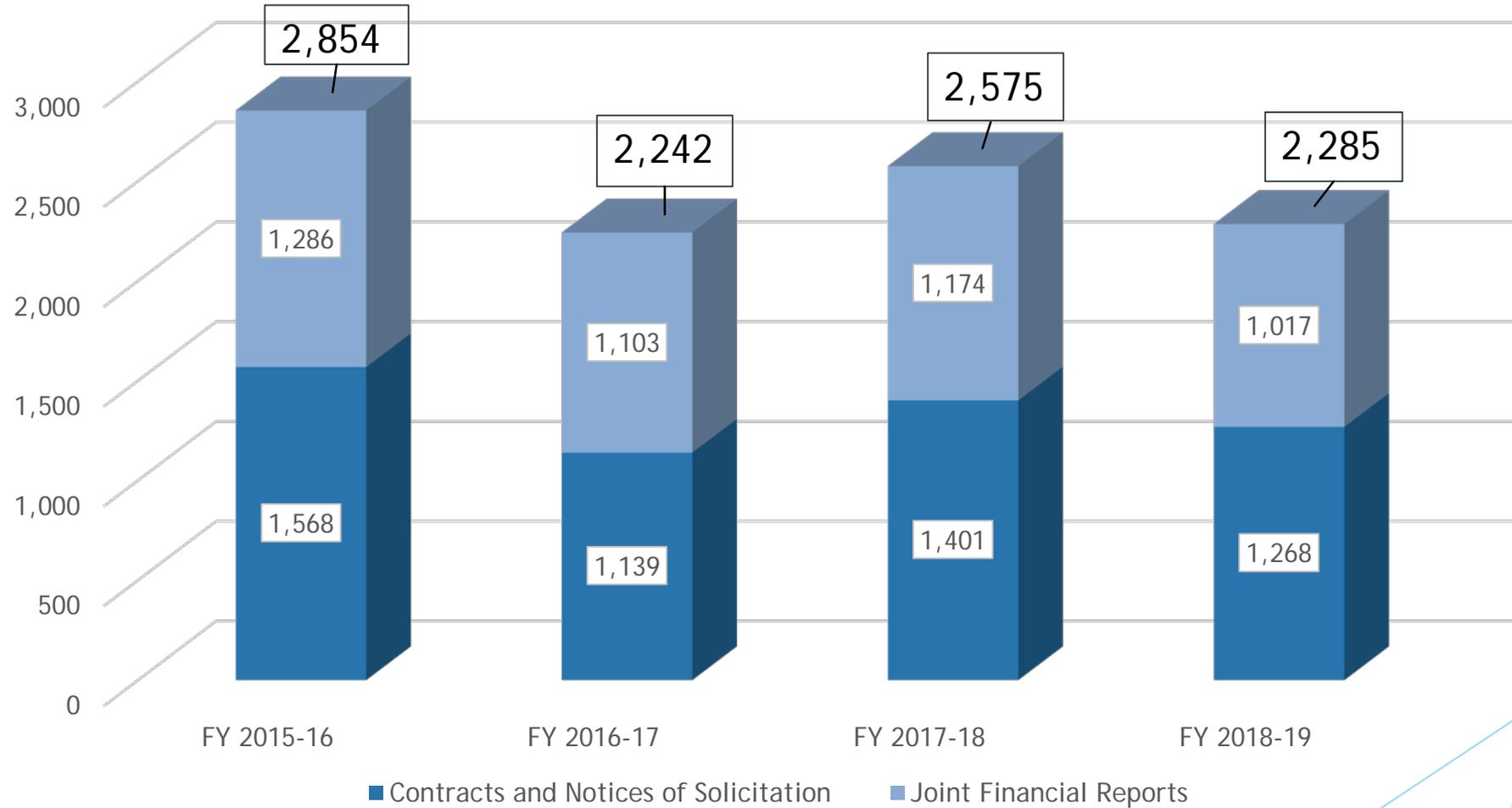
Joint Financial Return, revised March 2012

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

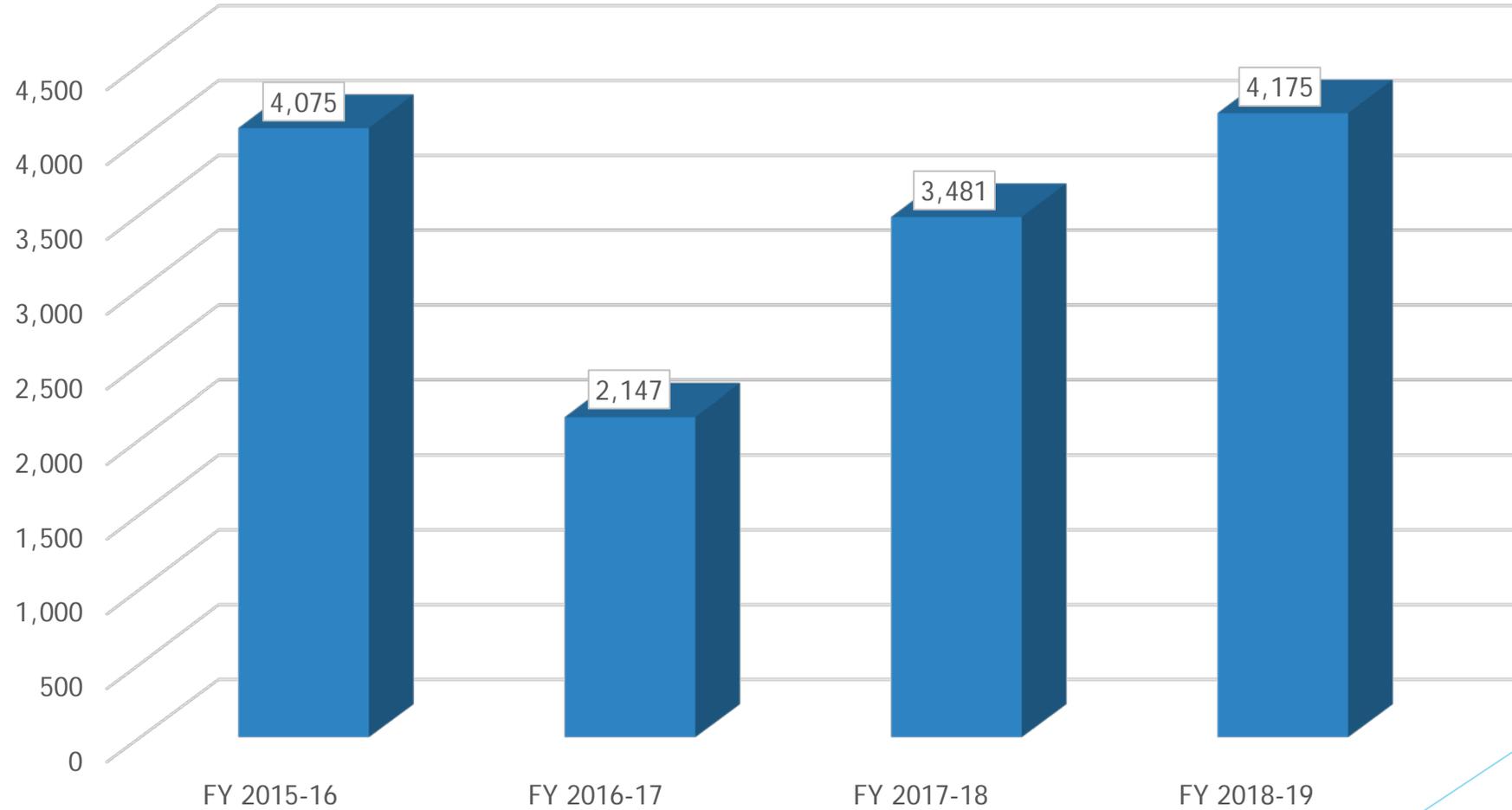
- ▶ If a filing for a charitable organization or professional fundraiser does not contain the information required under the Solicitation of Charitable Funds Act, then the Division of Public Charities will reject it.
- ▶ Division of Public Charities staff first contacts the organization by email to attempt 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.

Provided under S.C. Code
§§ 33-56-30, -50, -60, -70,
-110, -140(D)

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)

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

- ▶ 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.

Required by S.C. Code
§ 33-56-140(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

- ▶ 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.

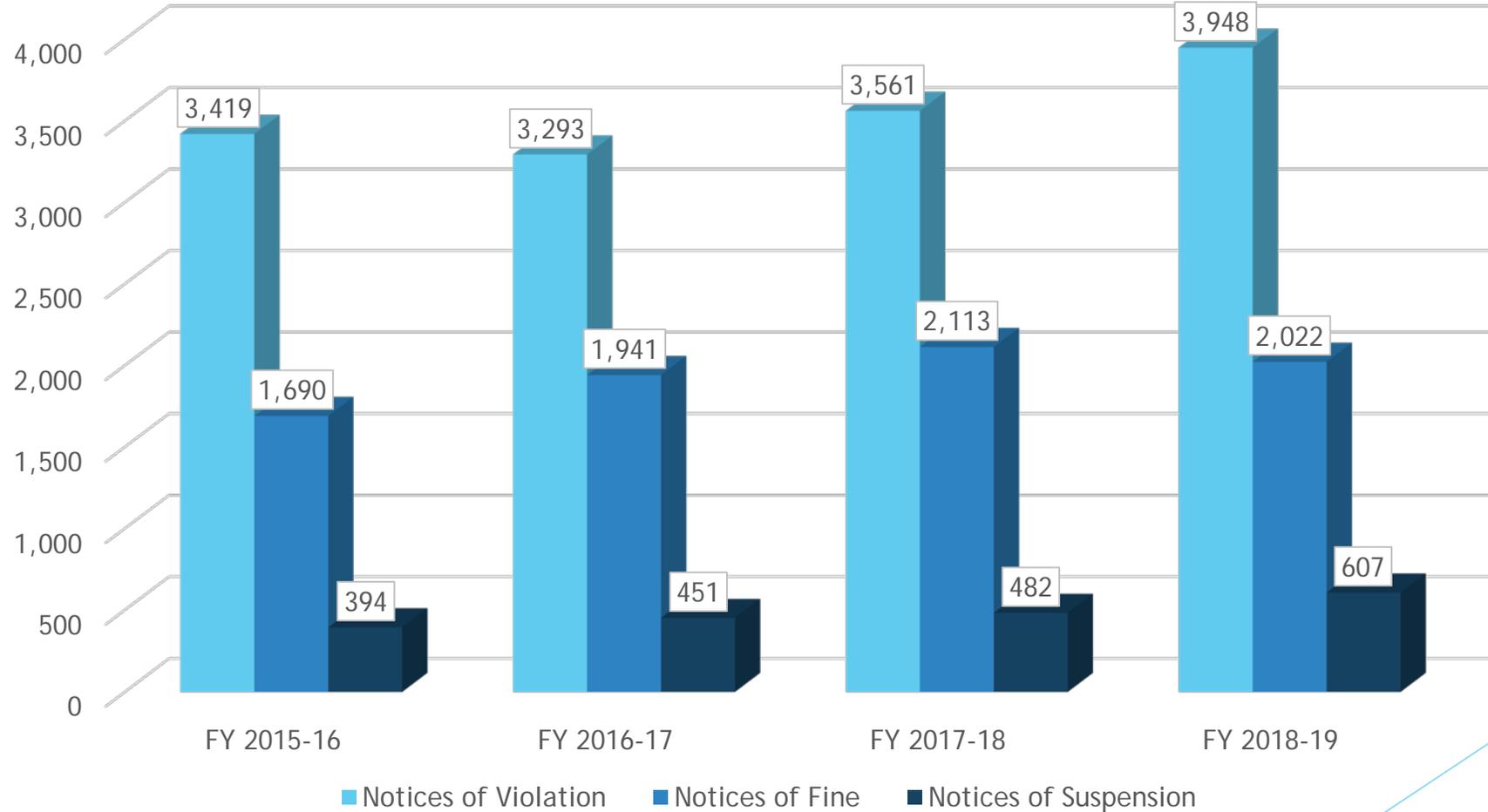
Notice of Administrative Fine

- 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.

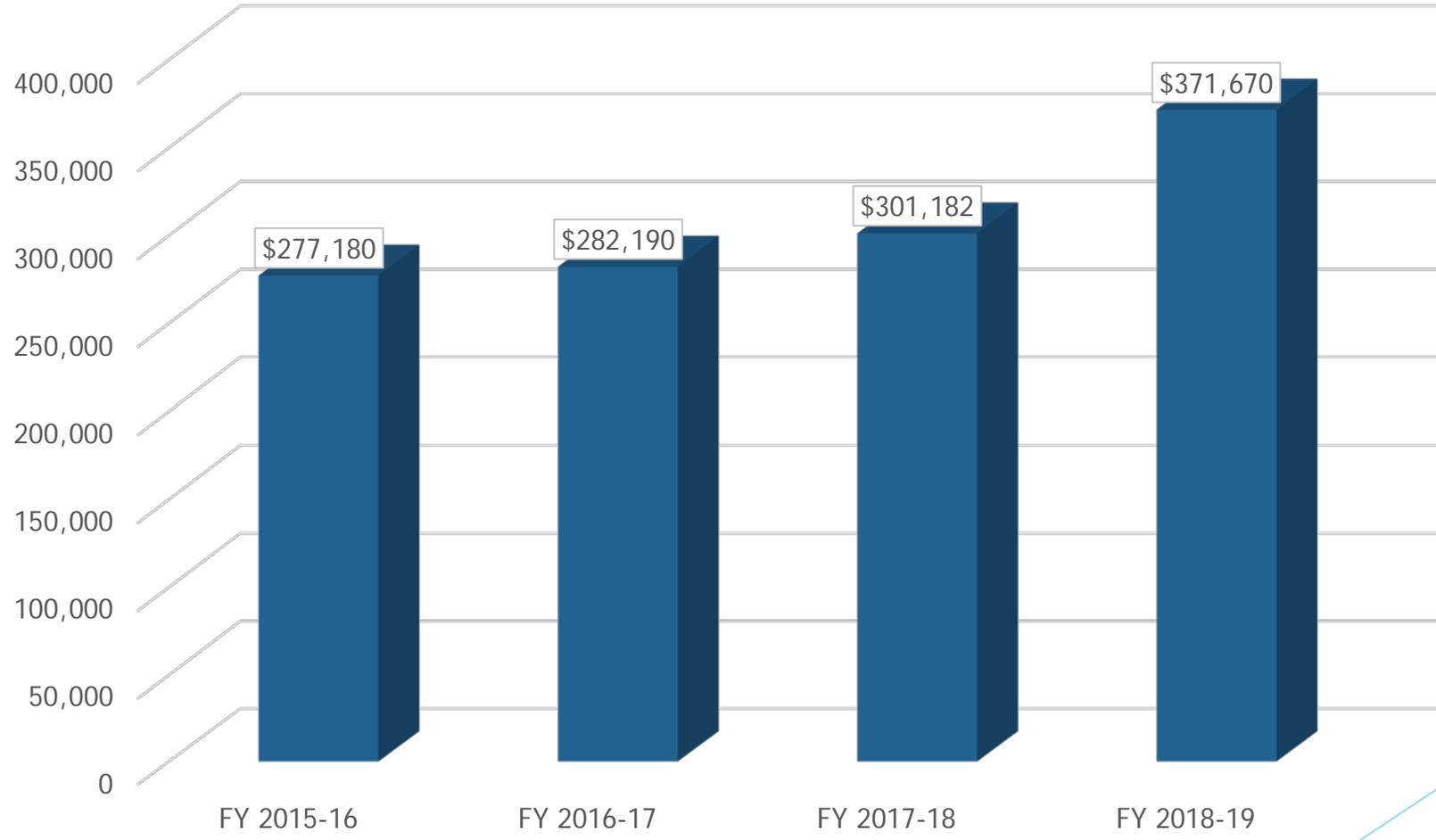
Notice of Suspension

- 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



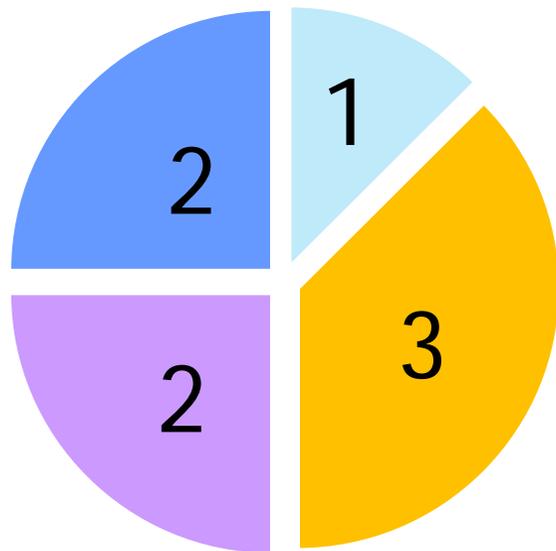
Appeal of Administrative Action

Deliverable No. 18

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

Customers:
Charitable
Organizations;
Professional Solicitors;
Professional
Fundraising Counsel;
Commercial Co-
venturers; Other
Persons Assessed a
Fine or Had
Registration
Suspended or Rejected

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.

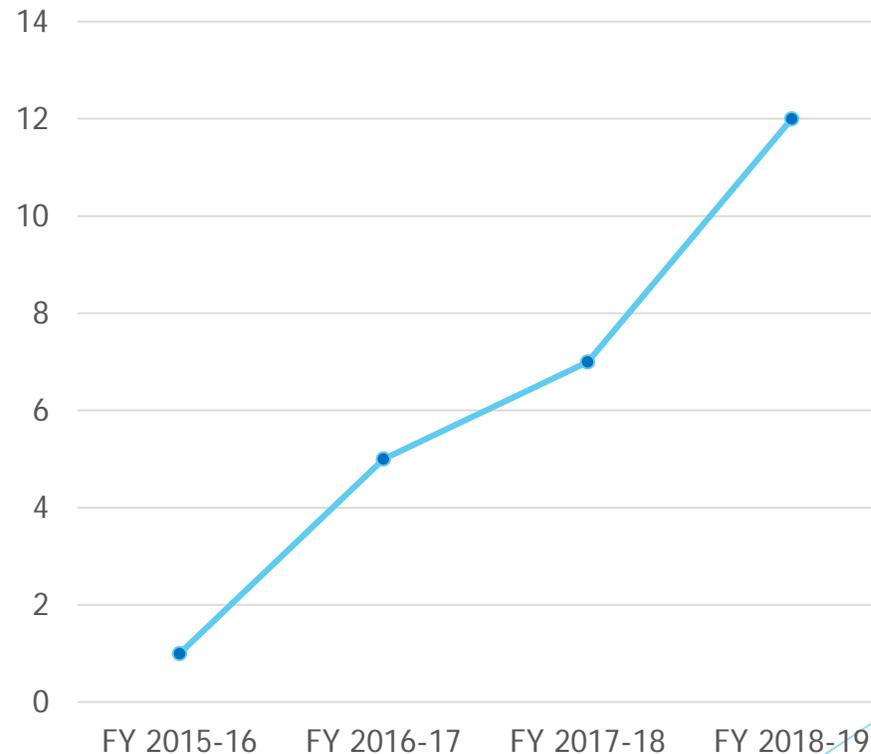
Legislative Intent:
Regulate manner, conditions,
and procedures under which
charitable funds may be
solicited in S.C. (1994 Act.
No. 461)

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.



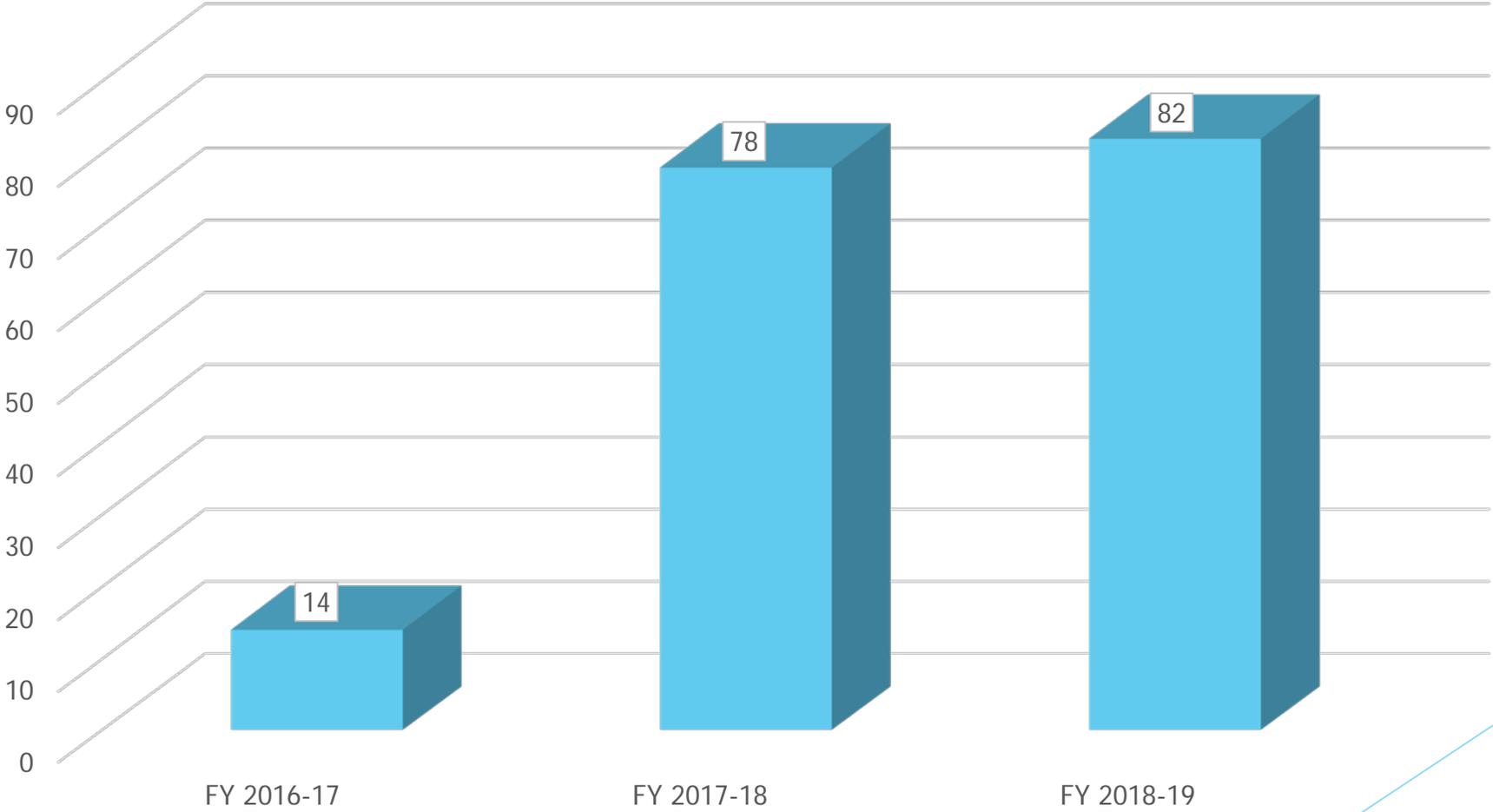
South Carolina Secretary of State

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

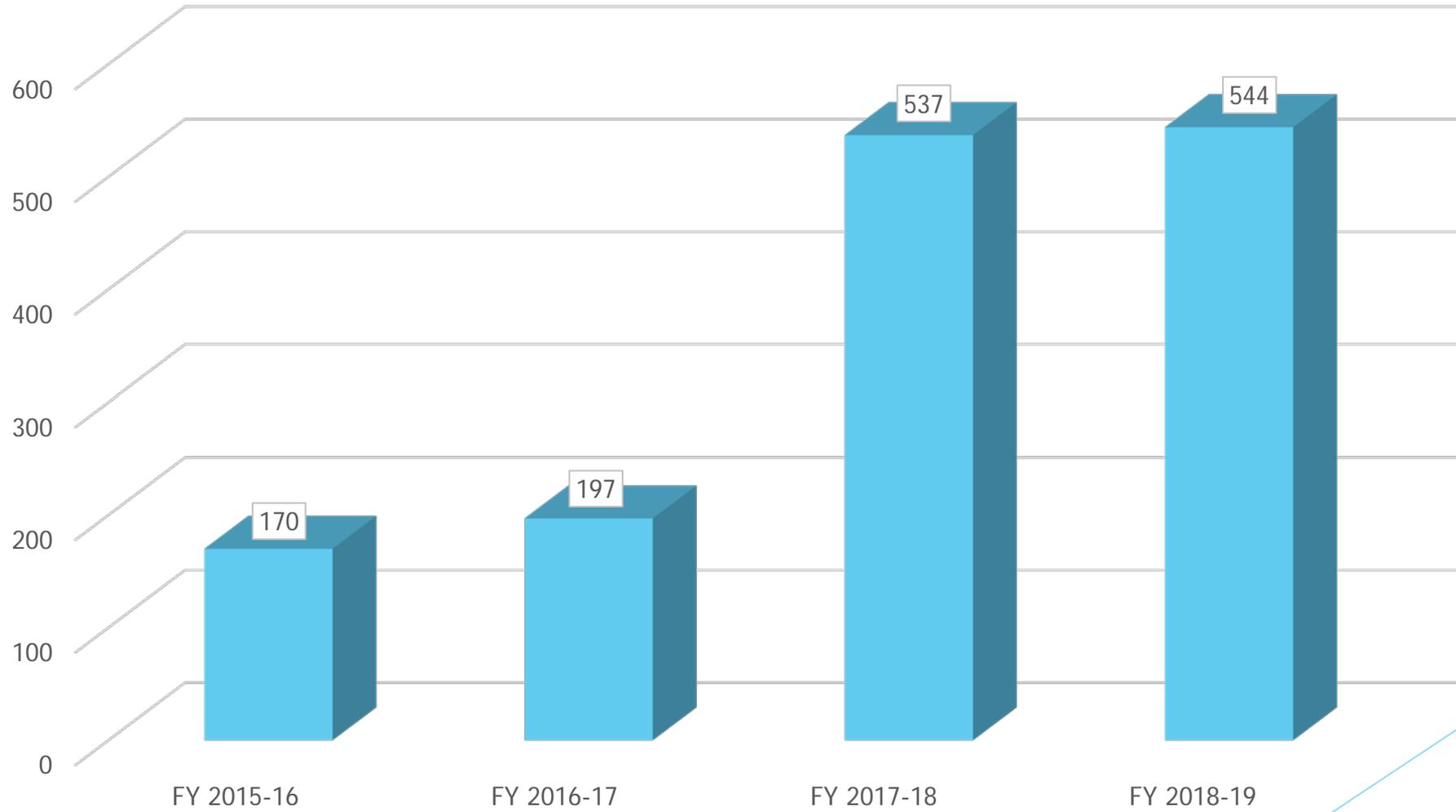
Deliverable No. 21

- ▶ 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

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



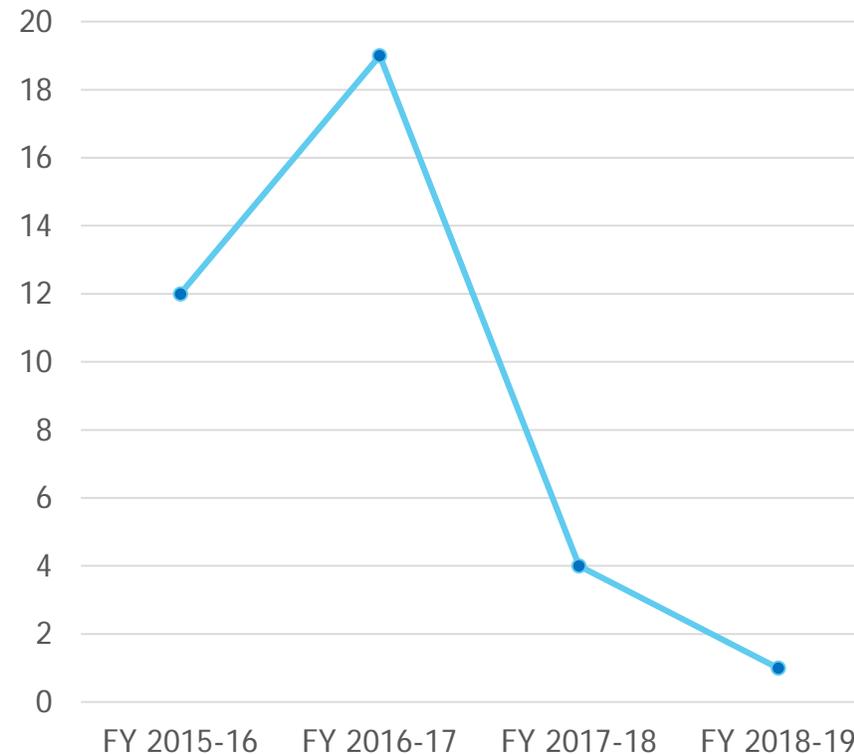
Customers:
Charitable Organizations;
Professional Fundraisers;
Other Persons Providing
Services to Organizations
Engaged in Charitable
Solicitation

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.

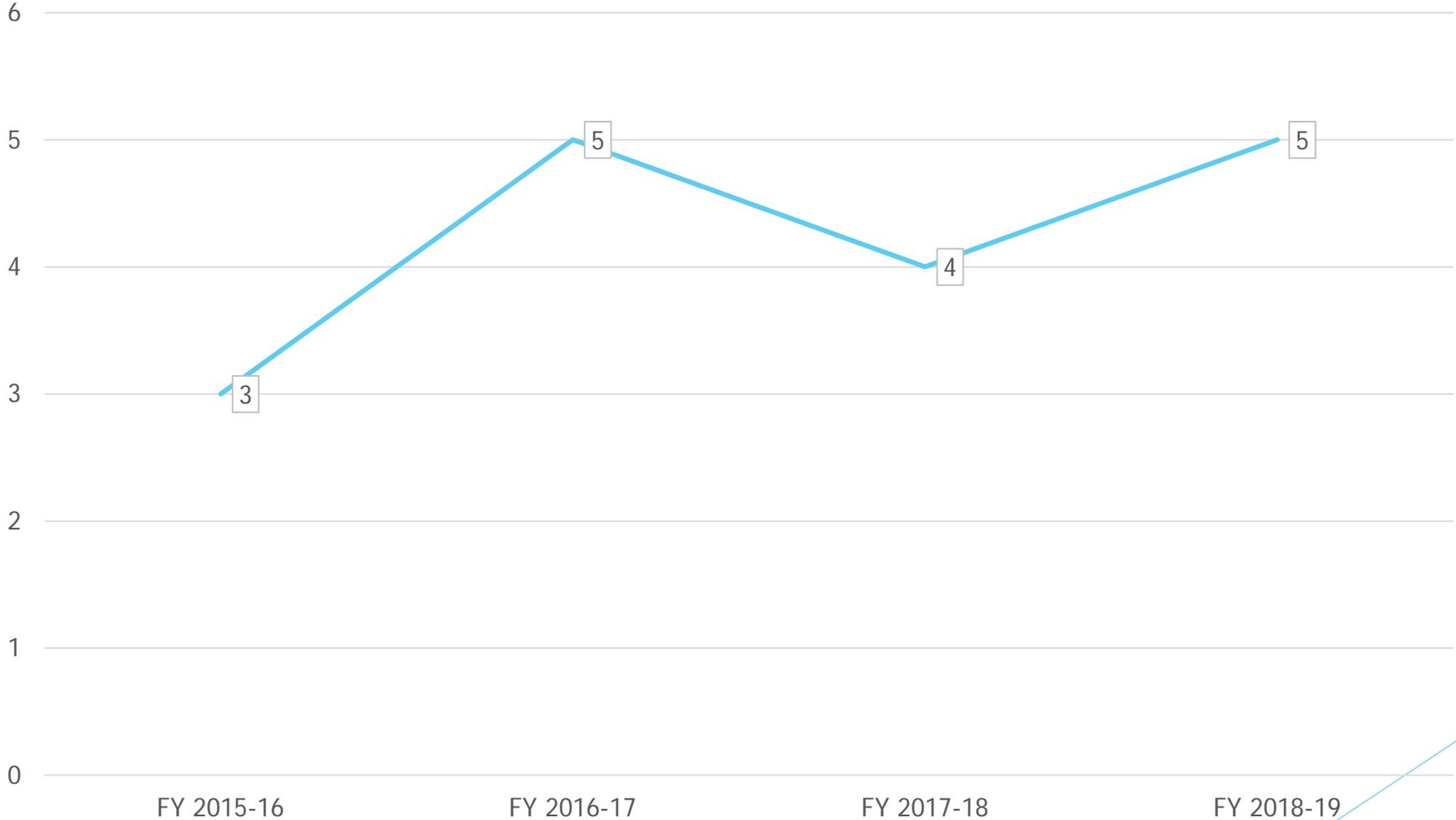
They have all been sued for lying to donors.

**Don't depend on the name.
Do your research.
Then donate.**



ftc.gov/charity

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

- ▶ 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.

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

Customer:
Attorney General

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.



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.

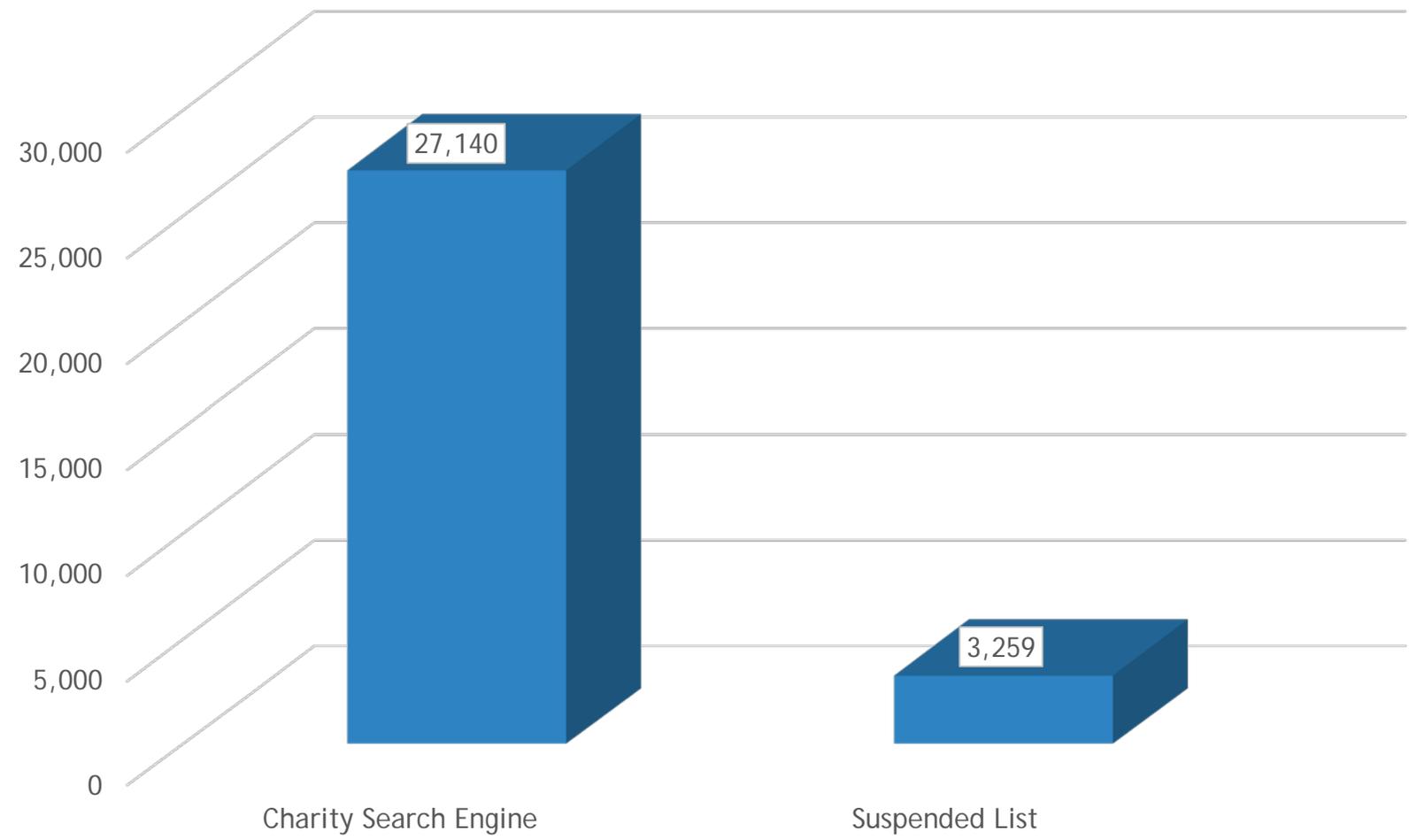
For additional information on charitable organizations, including filing requirements, please visit the Division of Public Charities Webpage.

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.

Wise Giving & Professional Solicitor Report

Deliverable No. 30

- ▶ 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

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)

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>
Professional Solicitor							
A.T. Still University of Health Sciences - Kirksville, MO							
Ruffalo Noel Levitz, LLC	Phone	09/12/2017	01/17/2017	06/30/2017	\$12,480.13	(\$1,638.62)	-13.13%
Achieving Wheelchair Equality – N. Charleston, SC							
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%
ActionAid U.S.A. - Washington, DC							
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%
Administrators of the Tulane Educational Fund - New Orleans, LA							
Ruffalo Noel Levitz, LLC	Phone, Print Media	03/13/2017	03/17/2016	12/31/2016	\$135,708.22	\$42,018.31	30.96%
AFS-USA, Inc. – New York, NY							
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%
Alliance Defending Freedom - Scottsdale, AZ							
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 Method</u>	<u>Contract Start Date</u>	<u>Contract End Date</u>	<u>Minimum Percentage Guaranteed to Charity or Other Terms of Remuneration</u>
2150844 Ontario, Inc.—St. Catherines, Ontario, Canada d/b/a HCB Communications, HCB Canada				
United Service Organizations, Inc.	Phone, Mail	07/31/2018	05/31/2019	1% minimum guaranteed to charity.
911 Fundraising—Fort Mill, SC				
Carolina Dive & Rescue	Door to Door	10/01/2015	10/01/2020	45% minimum guaranteed to charity.
AAT, Inc.—Bluffton, SC d/b/a Off Island Thrift				
Cancer Awareness Foundation	Thrift Store	03/15/2000	n/a	Net profits donated to charity after expenses paid.
Aiken Bingo, Inc.—Charleston, SC				
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.
Angela Schwindel, Bingo Promoter—Myrtle Beach, SC d/b/a Big Bucks Beach Bingo LLC				
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

How can you recognize unscrupulous charities?

BEWARE!

Bills or invoices mailed to you from charities you've not pledge money to.

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

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

Avoid giving solicitors your credit card numbers.

Refusing to mail you further information. Requesting cash donations.

Emotional 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)]

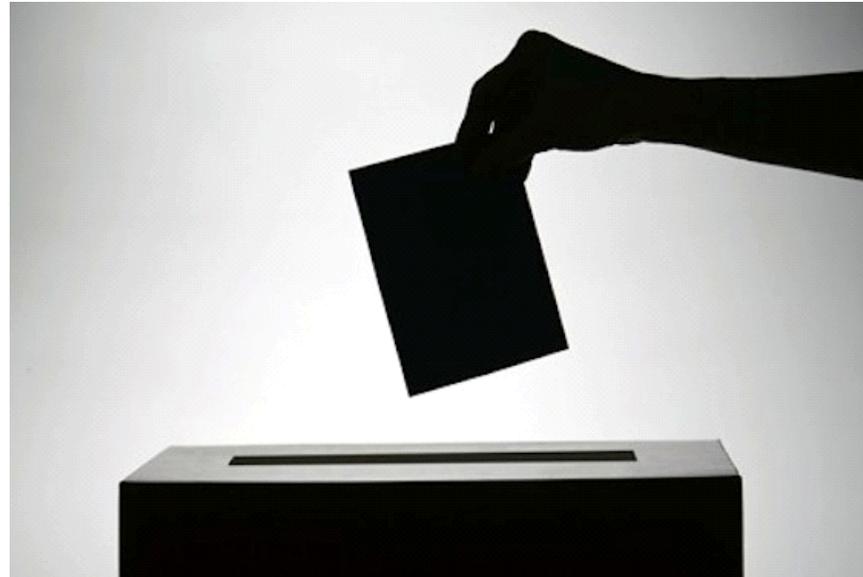
DIVISION OF PUBLIC CHARITIES: RAFFLES



- ▶ 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"> • The nonprofit organization must be either a tax-exempt organization or a class, department or organization of an educational institution. • 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. • The nonprofit organization must be in compliance with the registration provisions of the Solicitation of Charitable Funds Act.

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 15th day of the 5th 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 1st to December 31st, this registration will expire on May 15th. If the organization's fiscal year runs from July 1st to June 30th, this registration will expire on November 15th.
- **We do not accept this filing by fax or email;** you may register using our online filing system at 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.

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 15th day of the 5th 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 1st to December 31st, this report is due on May 15th. If the organization's fiscal year runs from July 1st to June 30th, this report is due on November 15th.
- 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, 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.

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

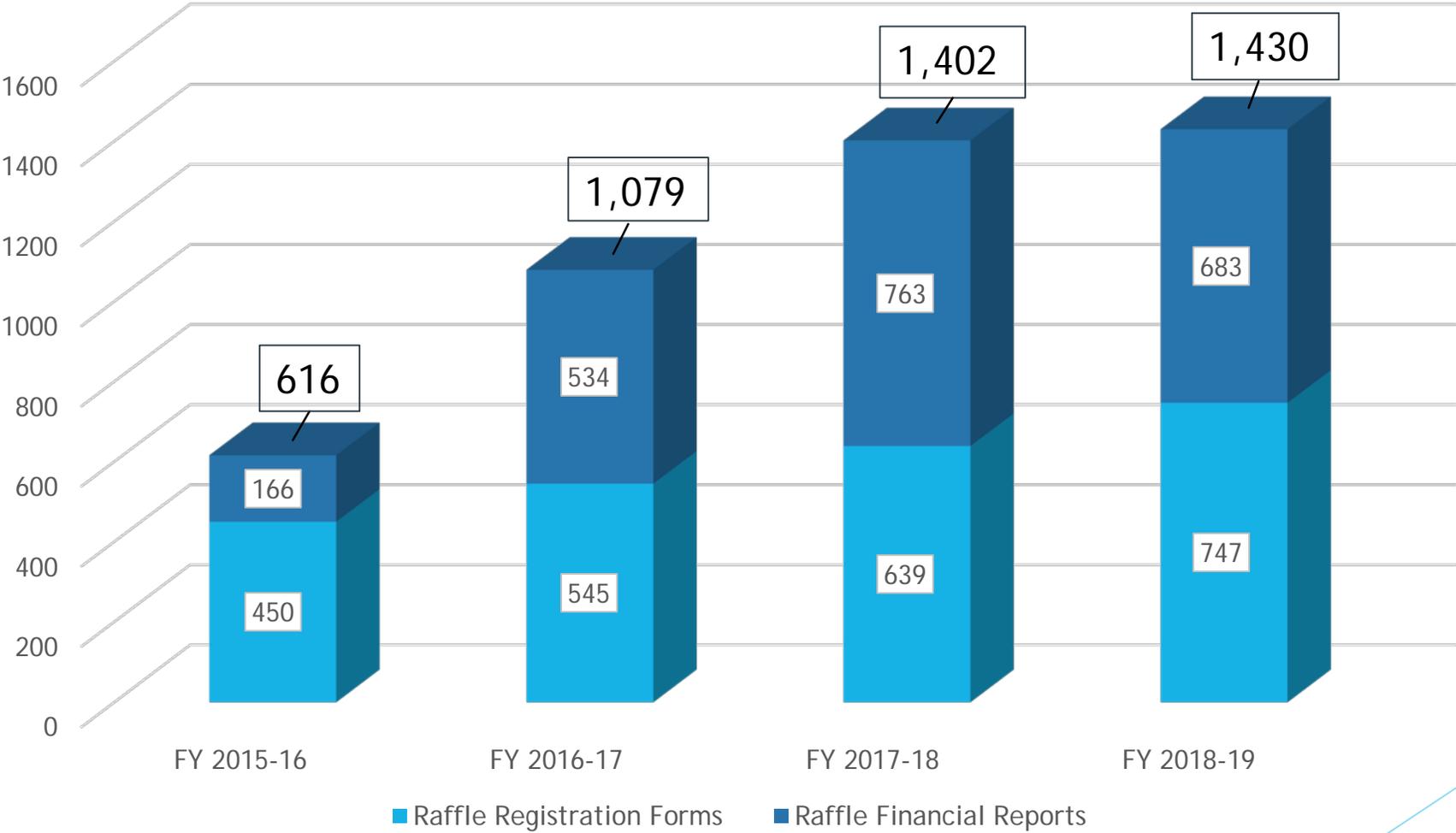
Required by S.C. Code
§ 33-57-150

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

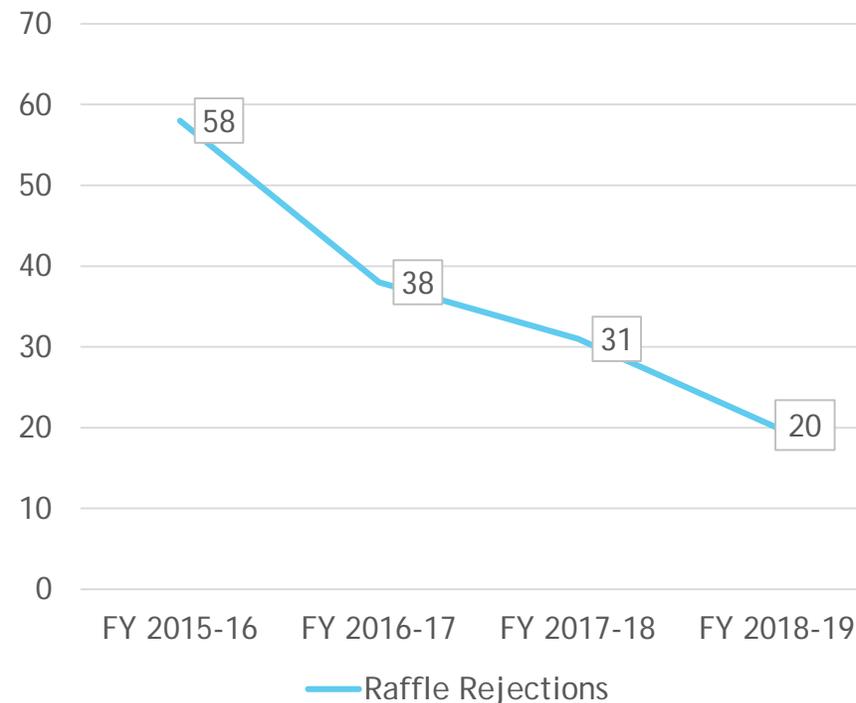


Nonprofit Raffle Filing Rejection

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

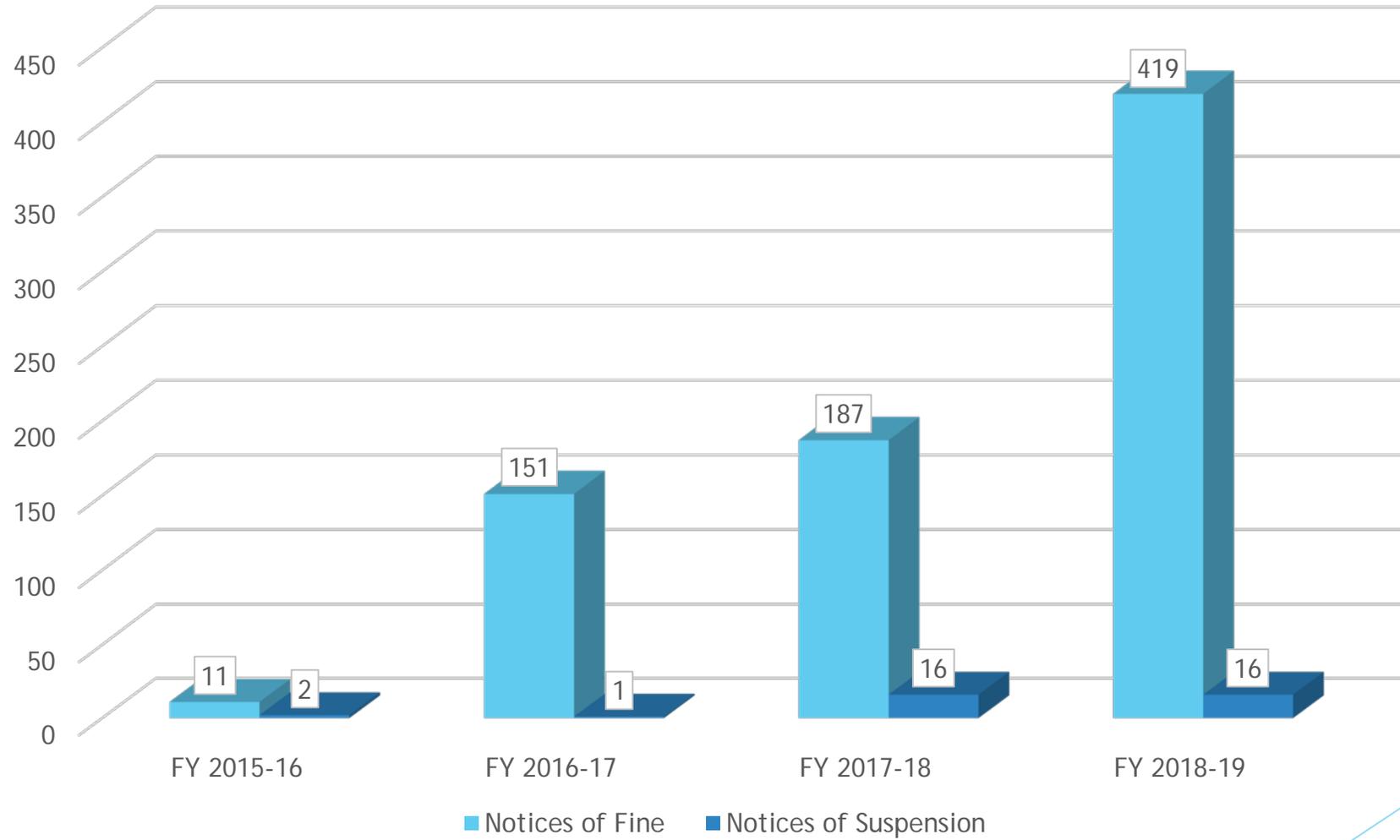
- ▶ An organization which fails to file its annual raffle financial report on time may be assessed by the Secretary of State an administrative fine of \$10.00 for each day of noncompliance, not to exceed \$2,000.00 for each separate violation.
- ▶ The Secretary of State may impose administrative fines 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)

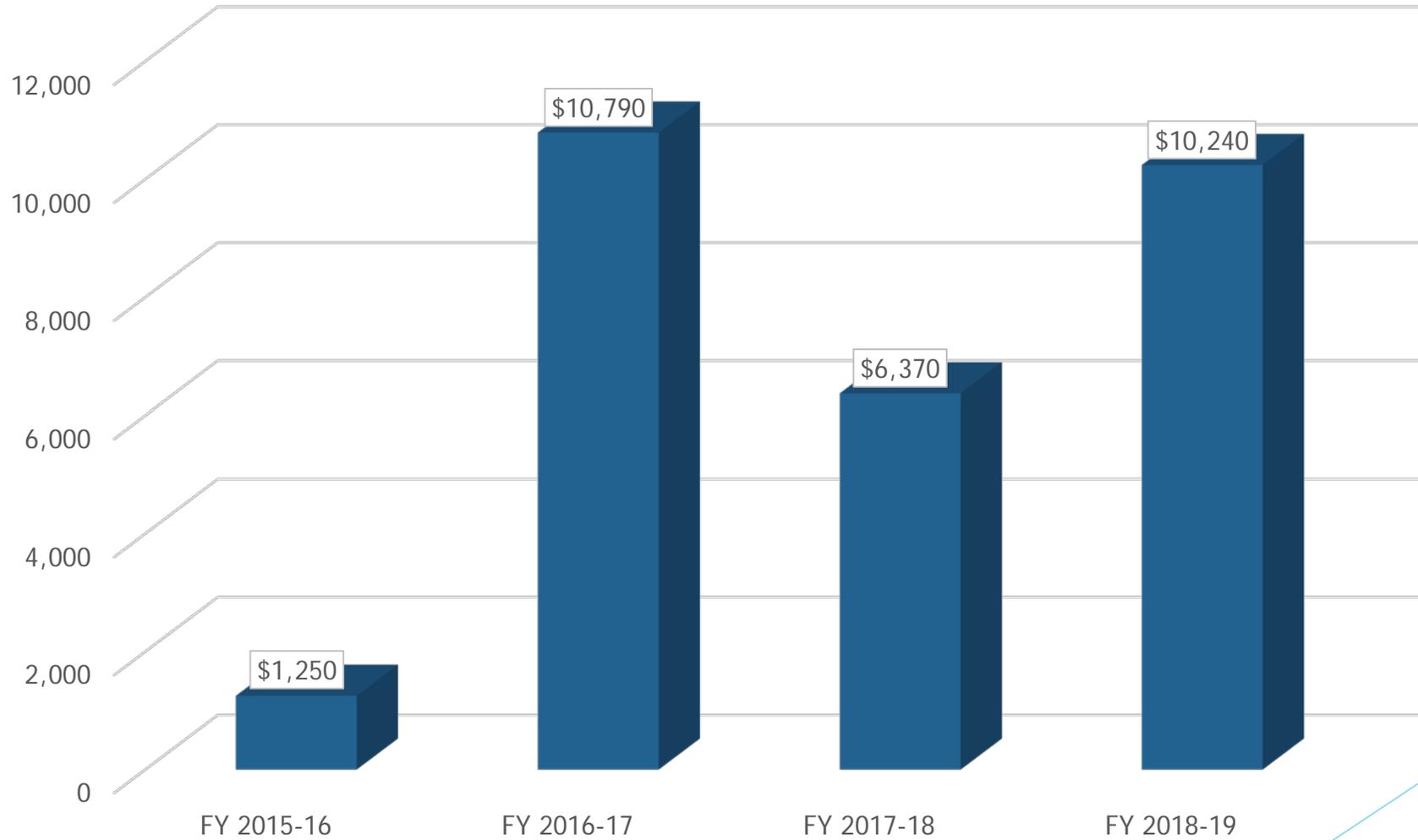
Customers:
Nonprofit Organizations;
Persons Operating Raffles
for Charitable Purposes

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

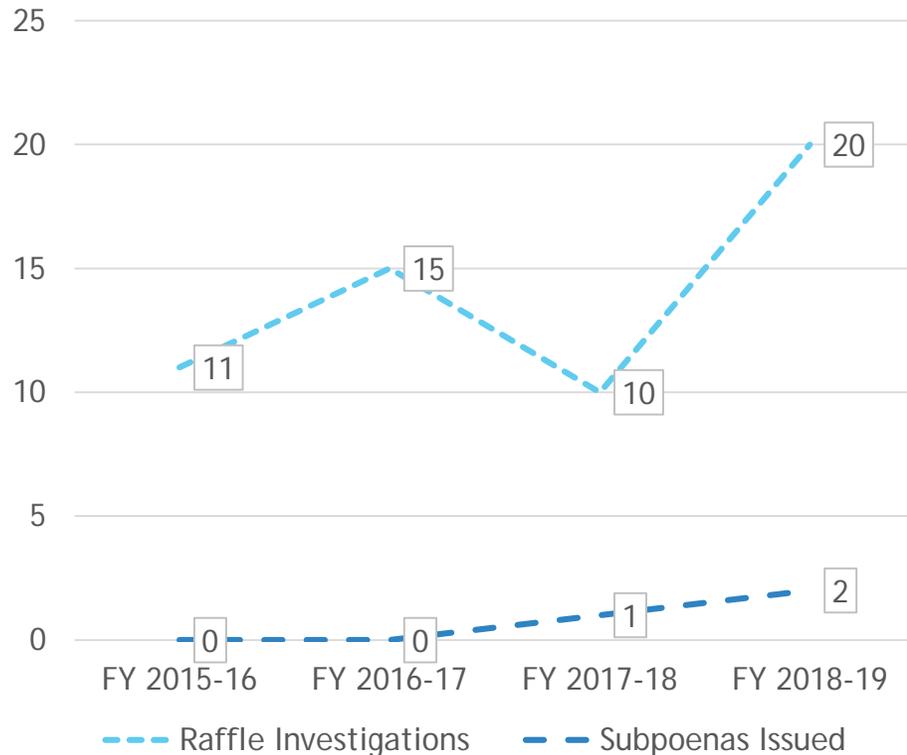
Legislative Intent:
Only qualified tax-exempt
entities, which are organized
and operated for charitable
purposes and which dedicate
raffle proceeds to charitable
purposes, shall operate and
conduct raffles. [Section 33-57-
100(B)]

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



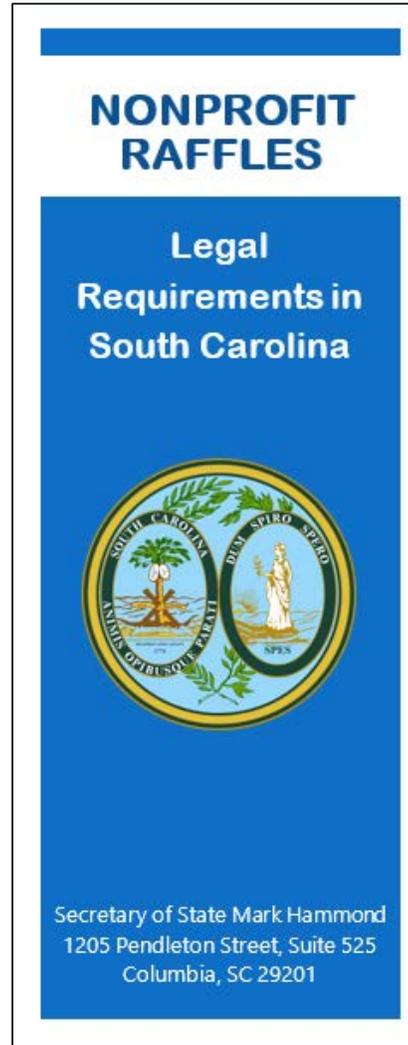
- ▶ The Secretary of State may investigate nonprofit organizations to determine if they have violated the provisions of Chapter 57, Title 33, or have filed false information with the Division of Public Charities.
- ▶ Investigations may result from complaints received from the public, law enforcement, 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.



FAQ

In 2015, nonprofit raffles became legal in South Carolina. However, a nonprofit organization must meet certain legal requirements in order to conduct raffles. Here are some frequently asked questions regarding charitable raffles in our state.

Q. Which nonprofit organizations are legally permitted to hold raffles in South Carolina?

A. In order to conduct a raffle, a nonprofit organization must meet ALL three of the of the following criteria:

- (1) The nonprofit must be either tax-exempt under IRS Code Section 501(c)3, 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), 501(c)(19), or 501(d); or a class, department, or organization of an educational institution;
- (2) The nonprofit must be operated for a charitable purpose; and
- (3) The nonprofit must be registered to solicit charitable donations in South Carolina pursuant to the Solicitation of Charitable Funds Act, or excluded from the Act's registration requirements.

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:

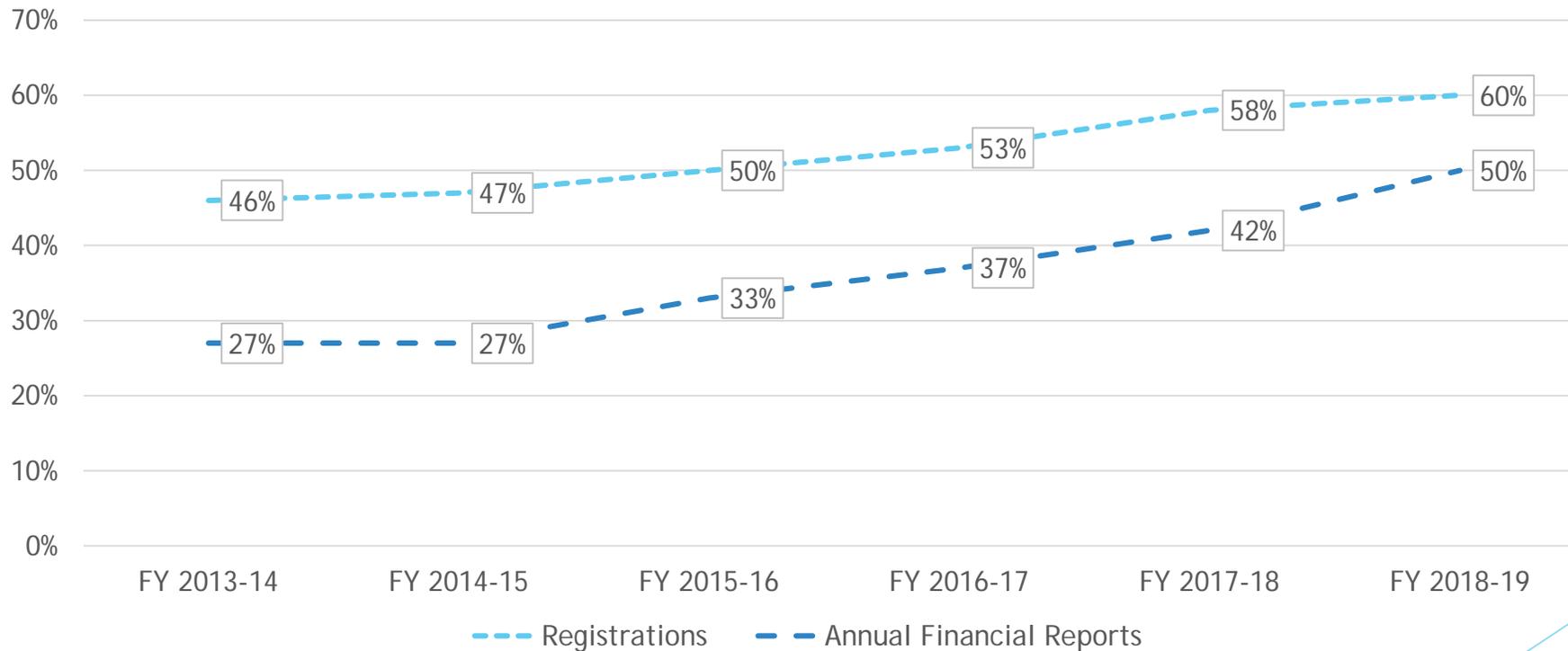
Provide charity customers expanded accessibility 24/7 on mobile devices and upgraded online capabilities.

- ▶ 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.

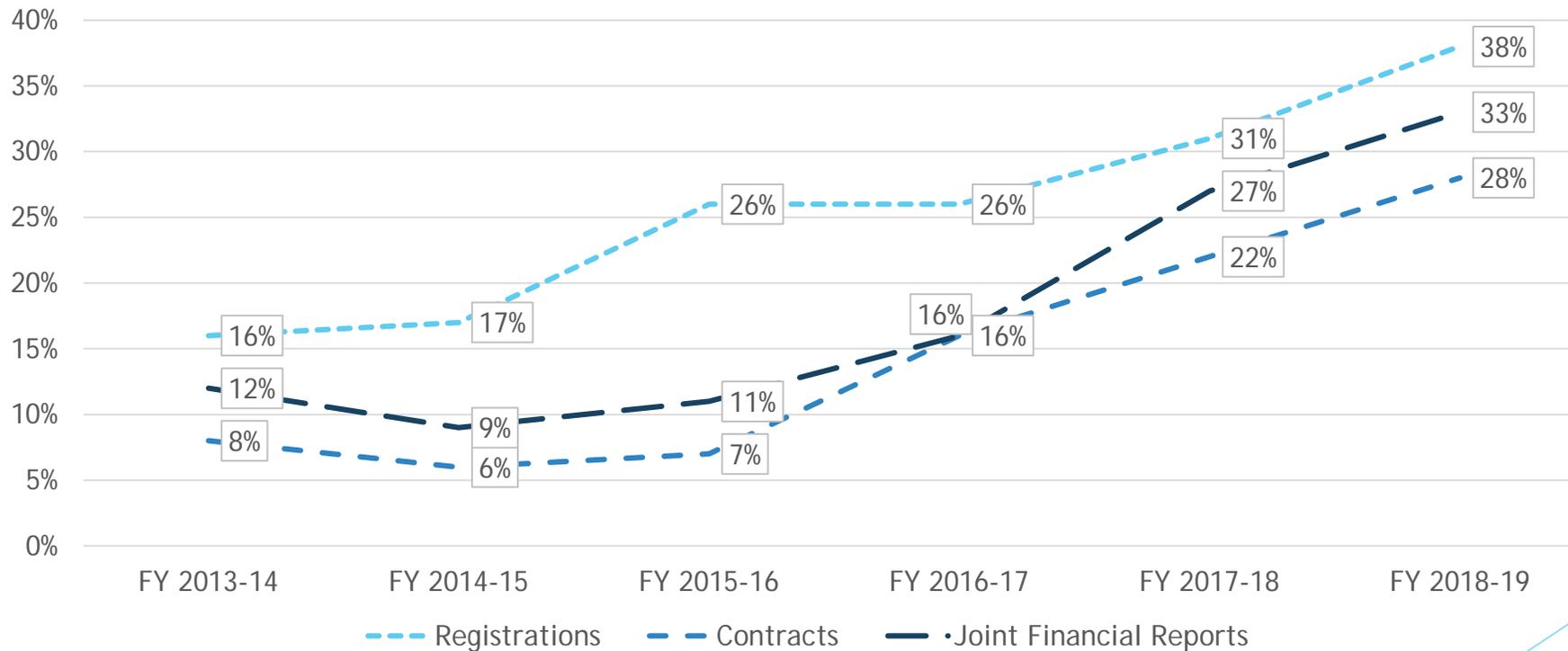
Percentage of Charities Filings Submitted Online



Performance Measure No. 1:

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

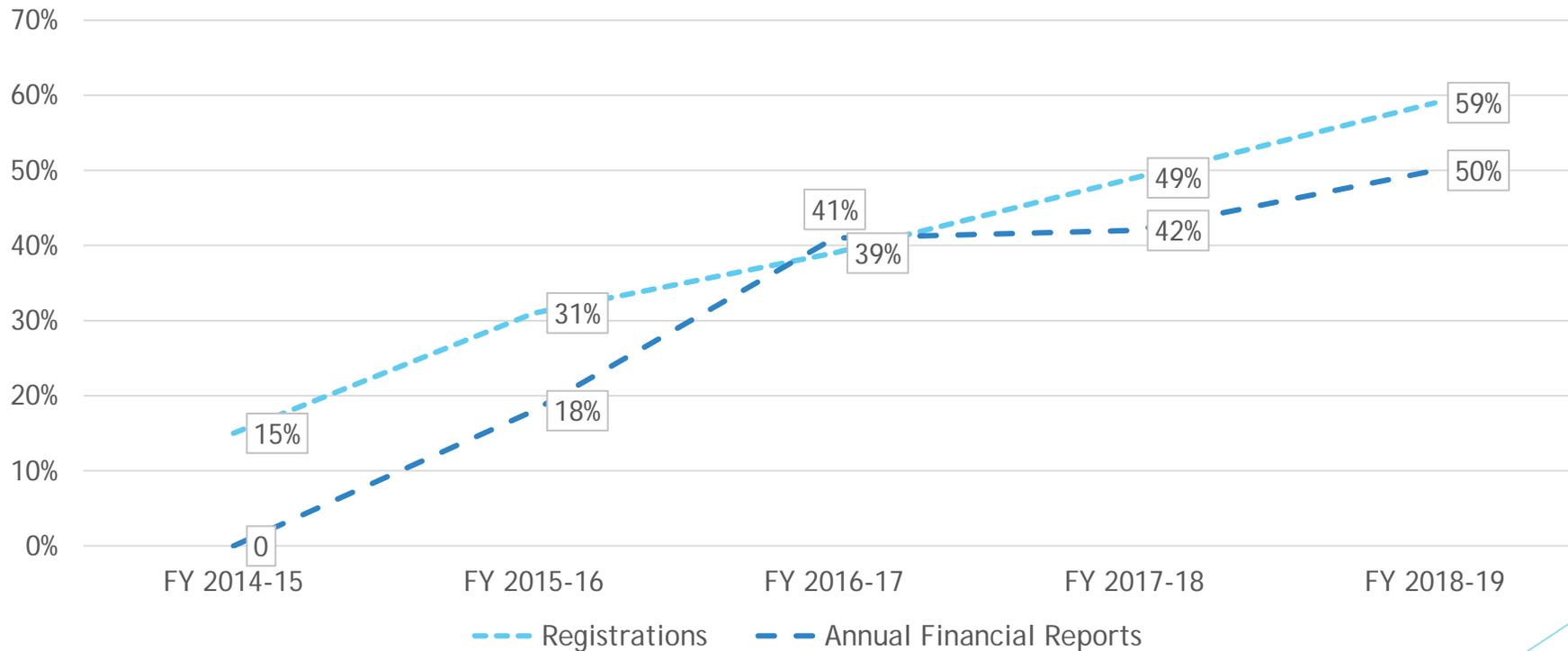
Percentage of Professional Fundraiser Filings Submitted Online



Performance Measure No. 1:

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

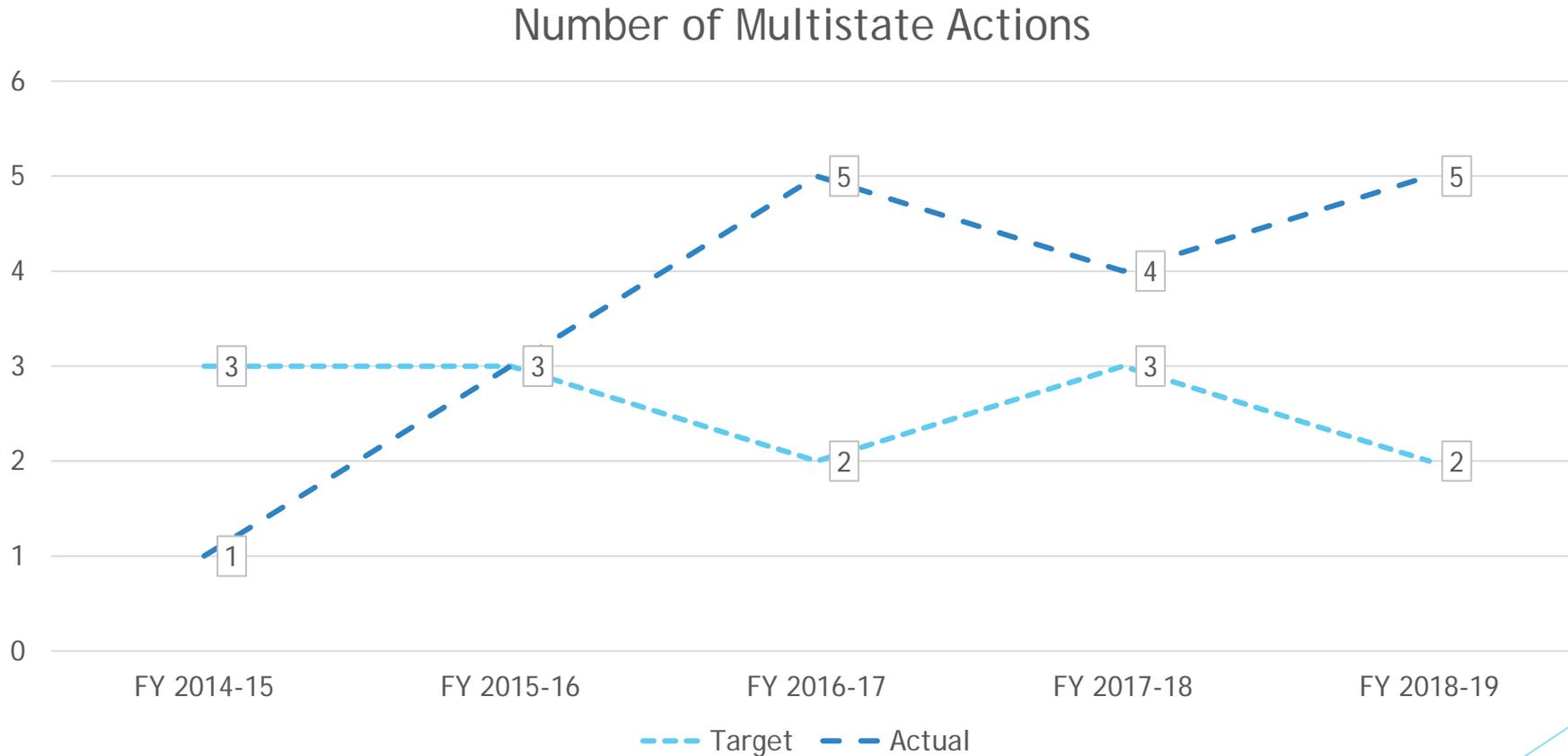
Percentage of Raffles Filings Submitted Online



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.)

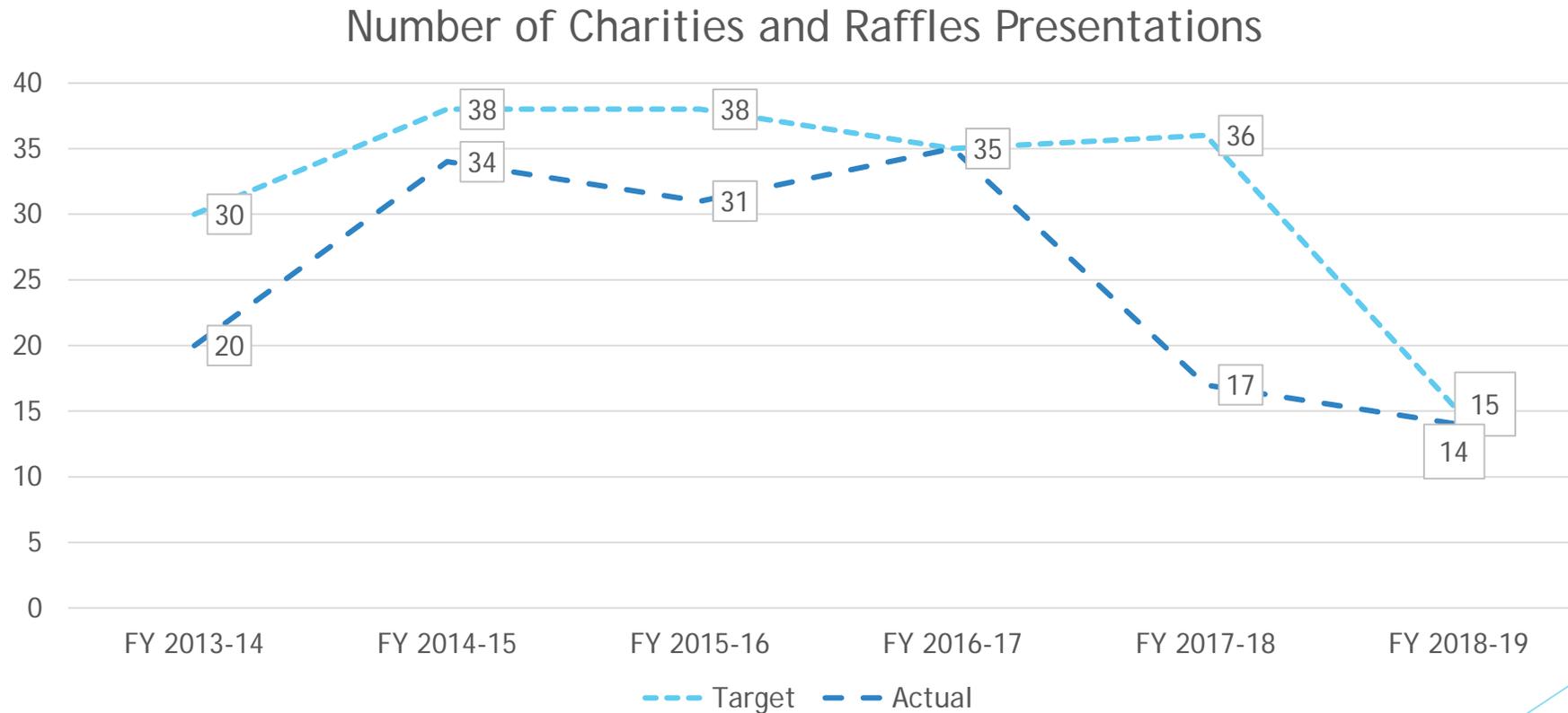
- ▶ In FY 2017-18, a new investigations application was launched. This application provided a centralized database for investigative staff to track charities, professional fundraisers, and raffles investigations. Development of the application began in FY 2016-17.

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.

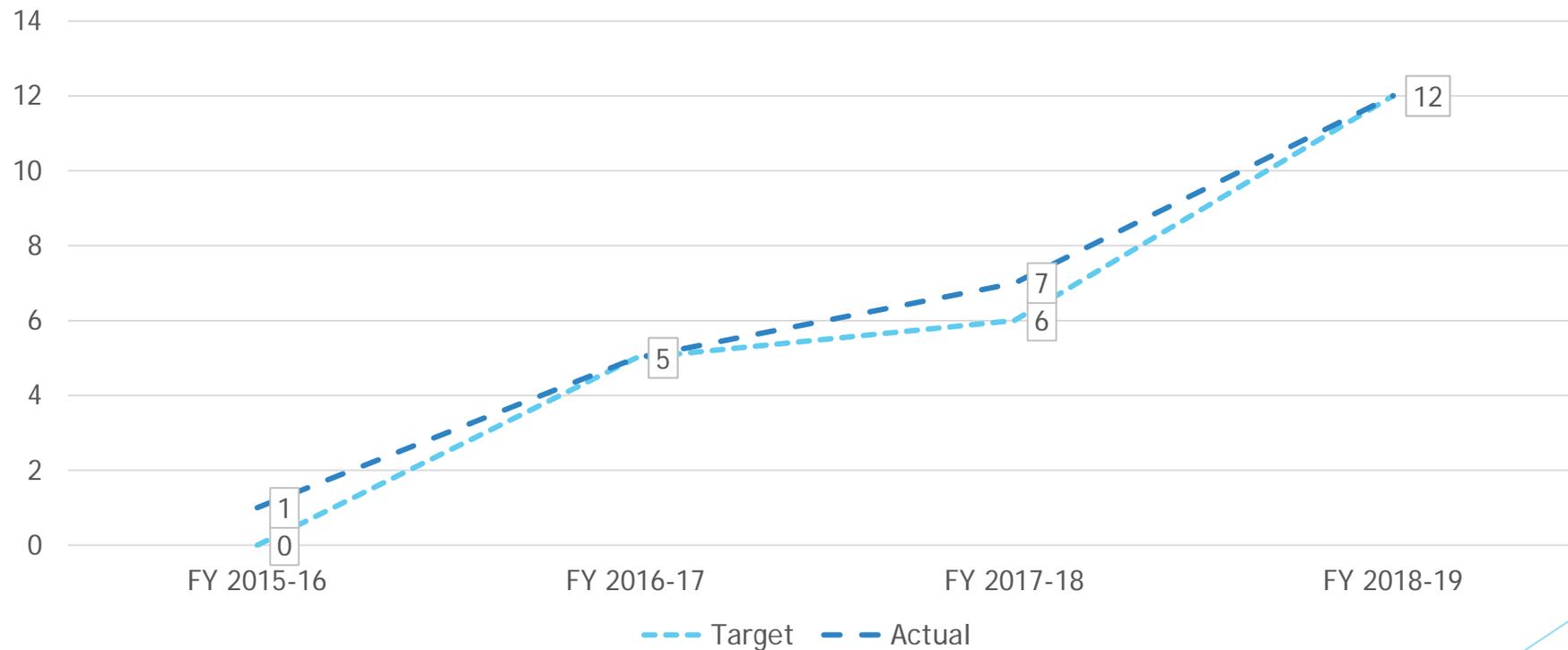
- ▶ With the launch of its updated website in August 2019, the Secretary of State's Office now provides the following additional information:
 - ▶ PDF copies of the most recently filed financial reports for charities, professional fundraisers, and raffles
 - ▶ Terms of remuneration from professional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

Number of Injunctions Filed



Revenue & Costs Related to Charities

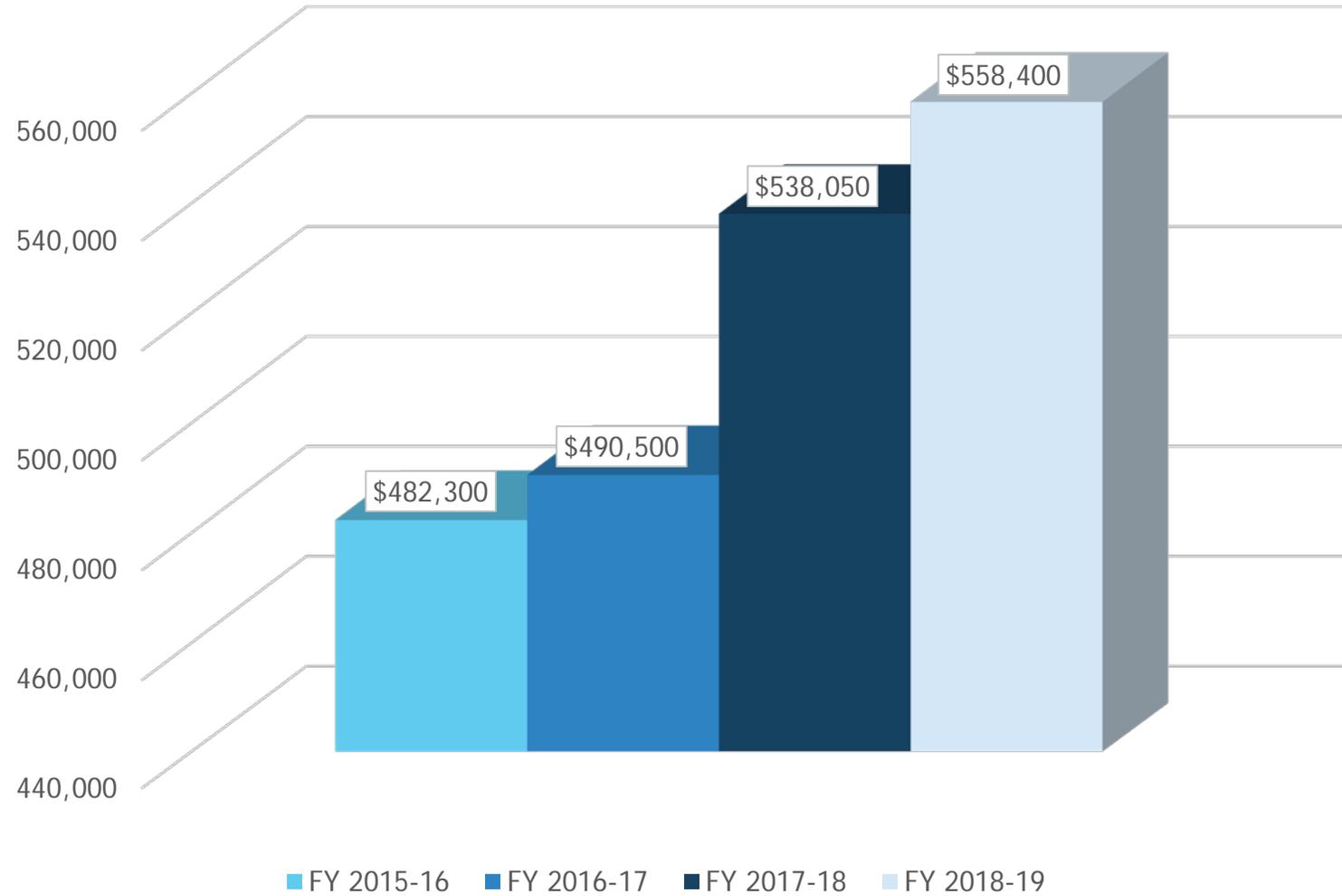
Deliverables

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

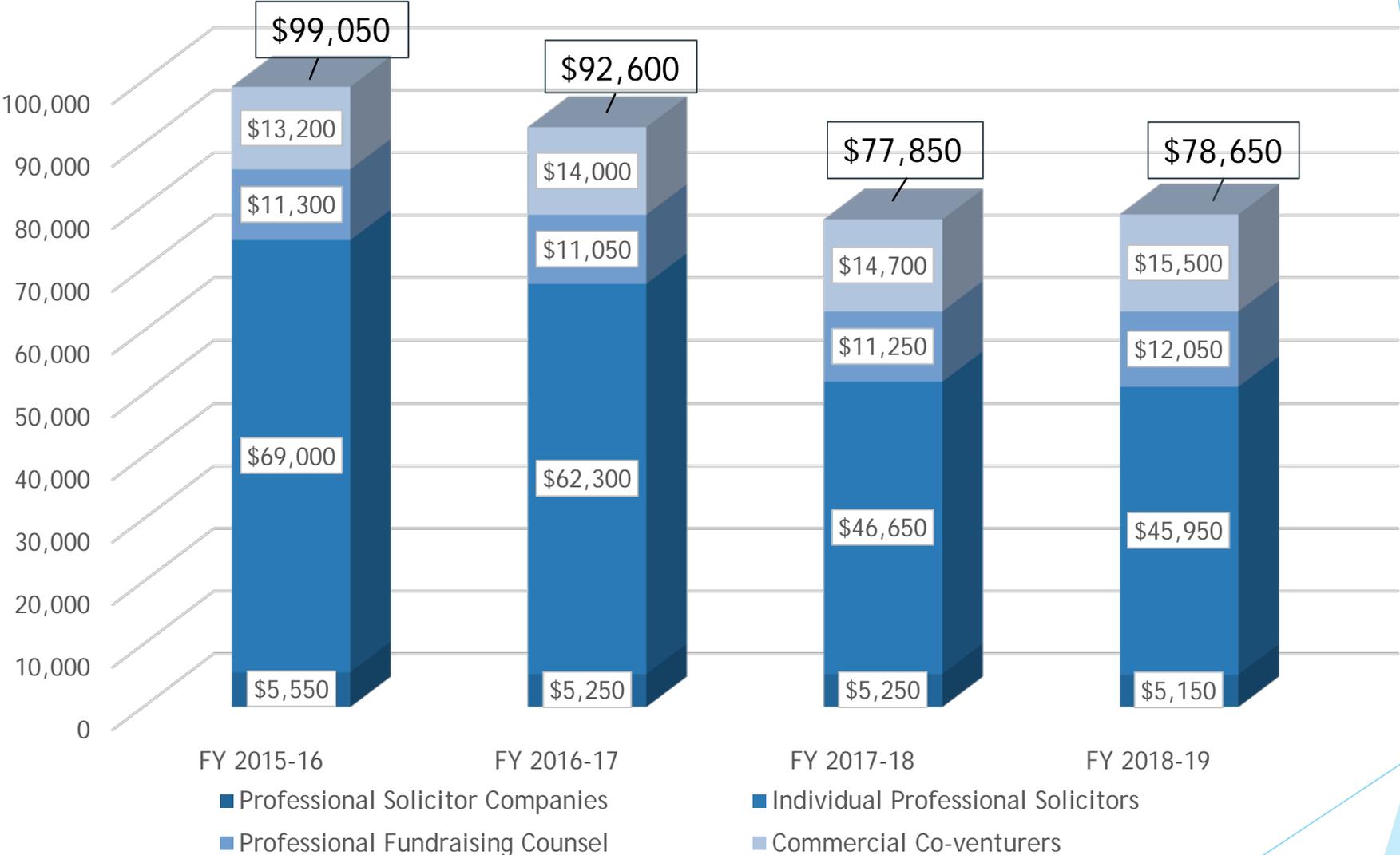
- ▶ Registration fees for charitable organizations (\$50.00*)
- ▶ Registration fees for professional fundraisers (\$50.00*)
- ▶ Administrative fines for violations of Solicitation of Charitable Funds Act (up to \$2,000.00 per violation*)
- ▶ Registration fees for nonprofit raffles (\$50.00)
- ▶ Administrative 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)*

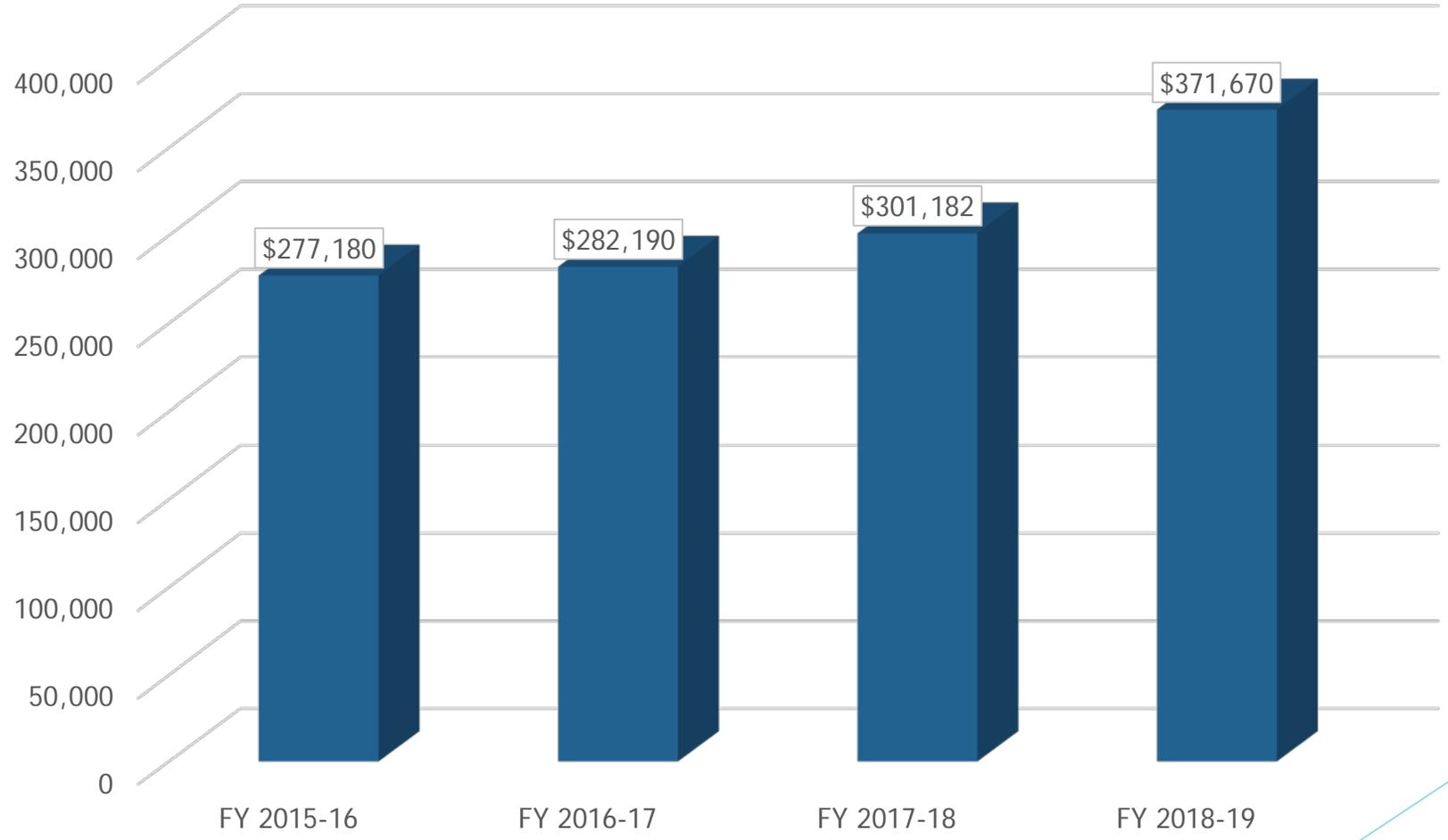
Registration Fees Collected from Charitable Organizations



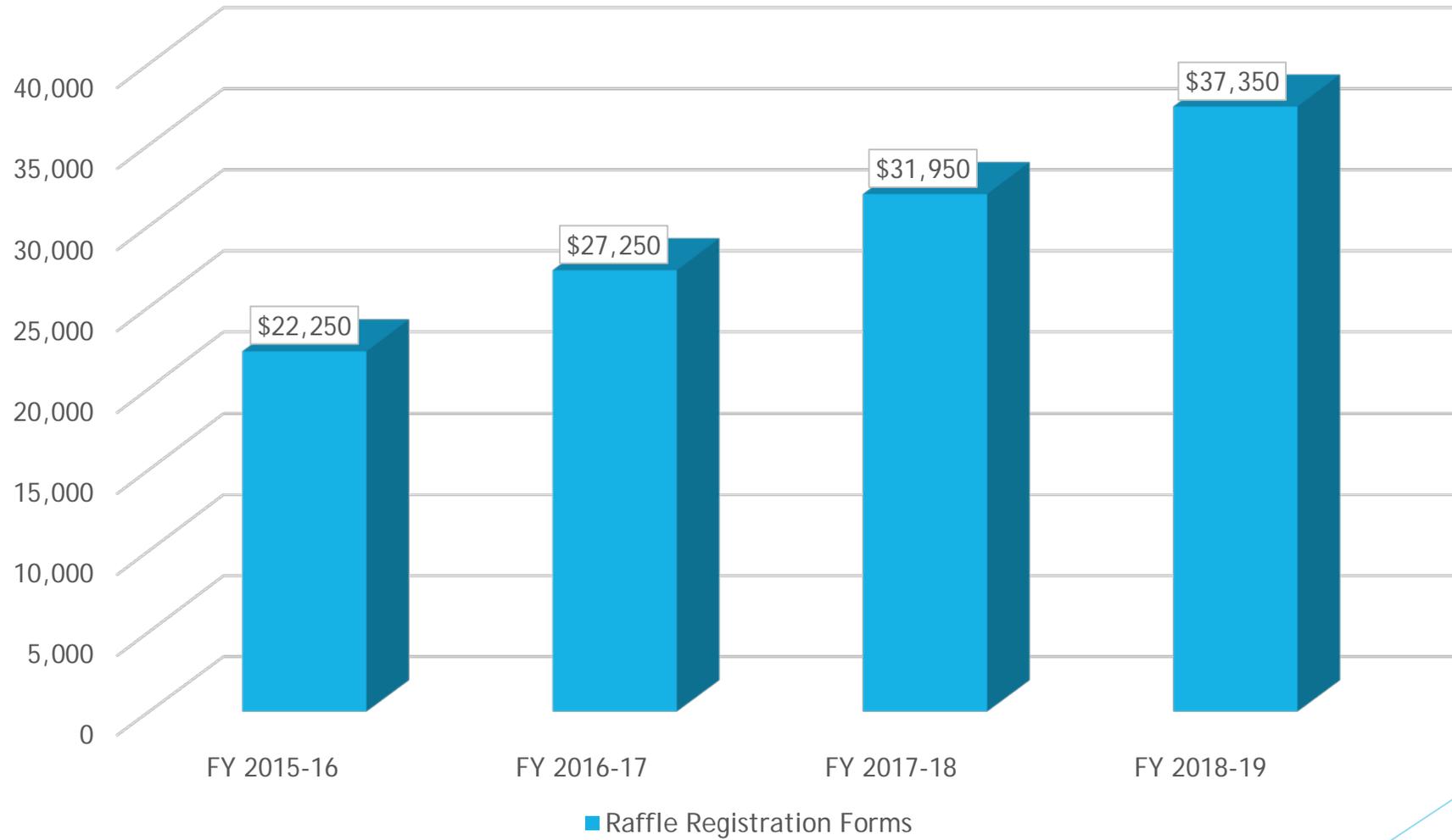
Registration Fees Collected from Professional Fundraisers



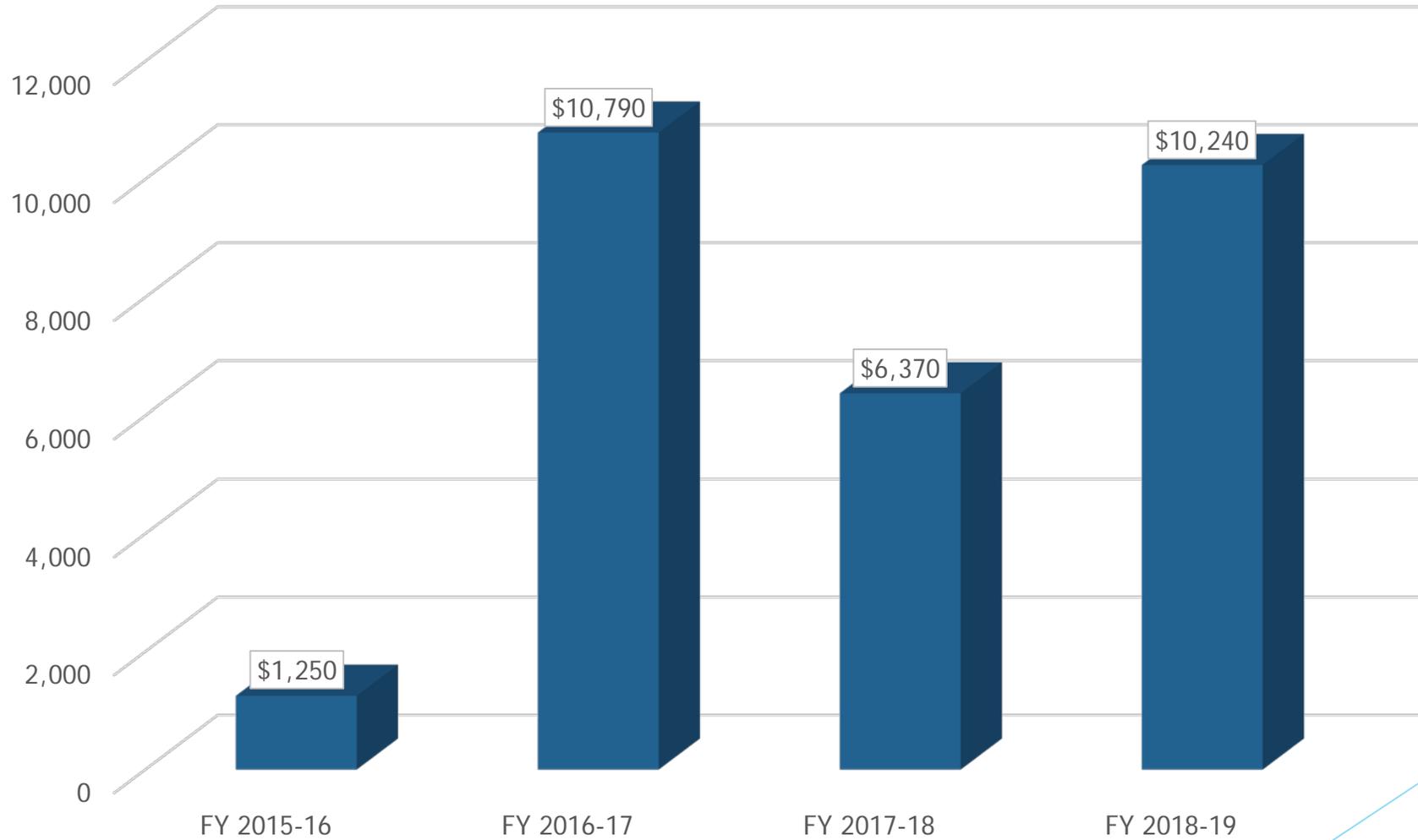
Total Fine Revenue Collected from Enforcement of Solicitation of Charitable Funds Act



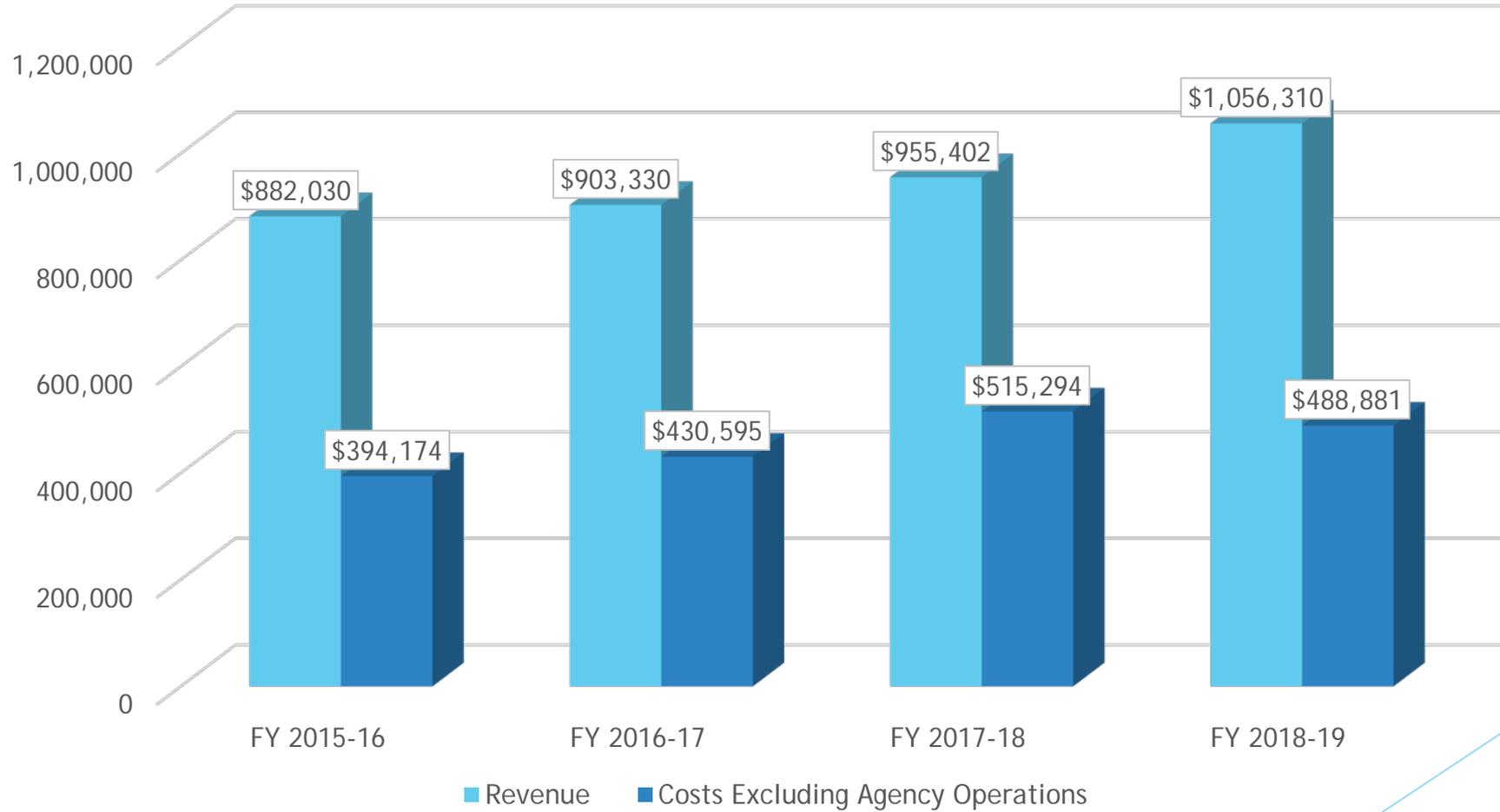
Registration Fees Collected from Nonprofit Raffles



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

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

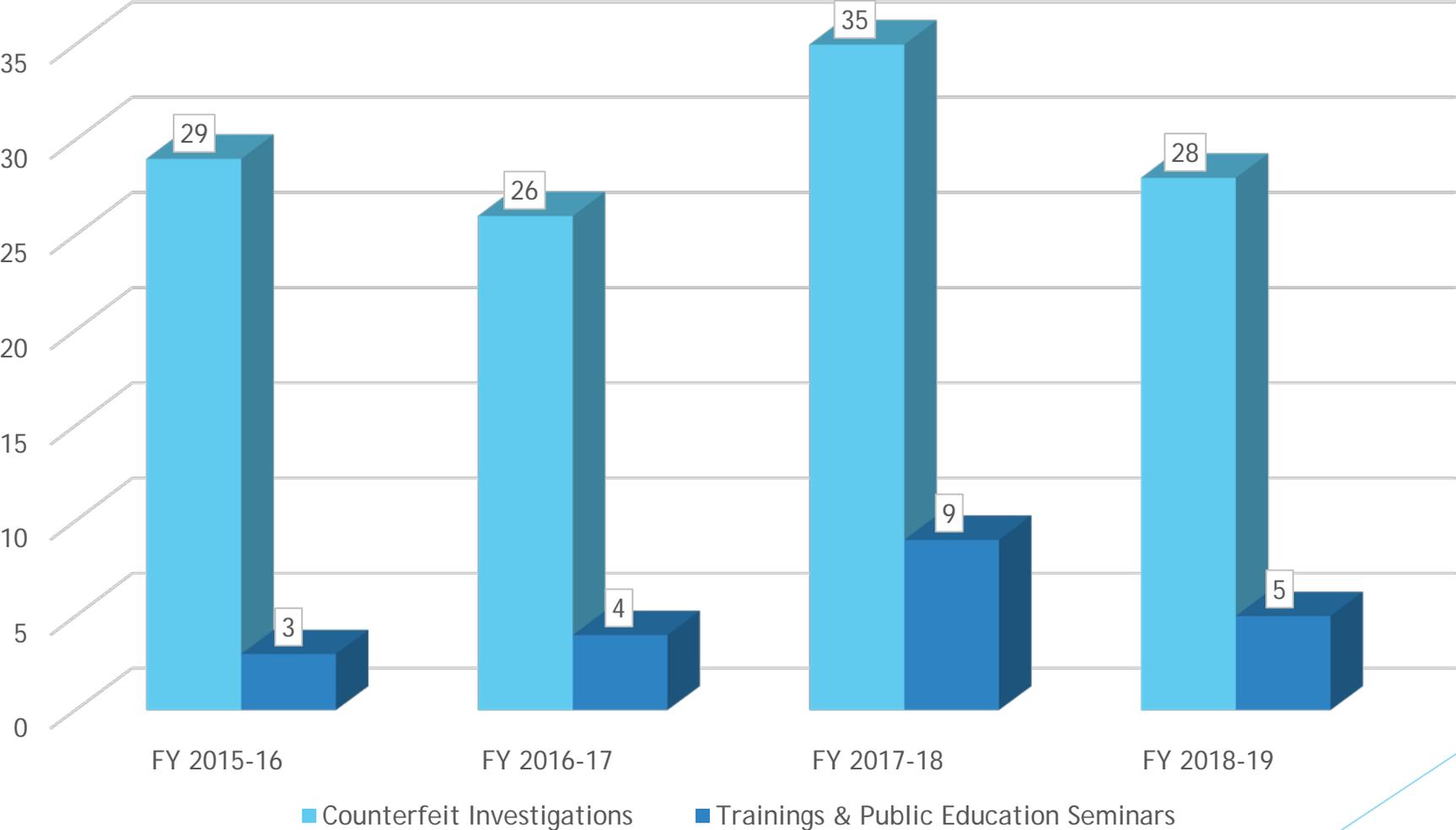
Deliverable No. 46

- ▶ 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

Number of Counterfeit Investigations and Trainings



Rejection of Sovereign Citizen Documents

Deliverable No. 47

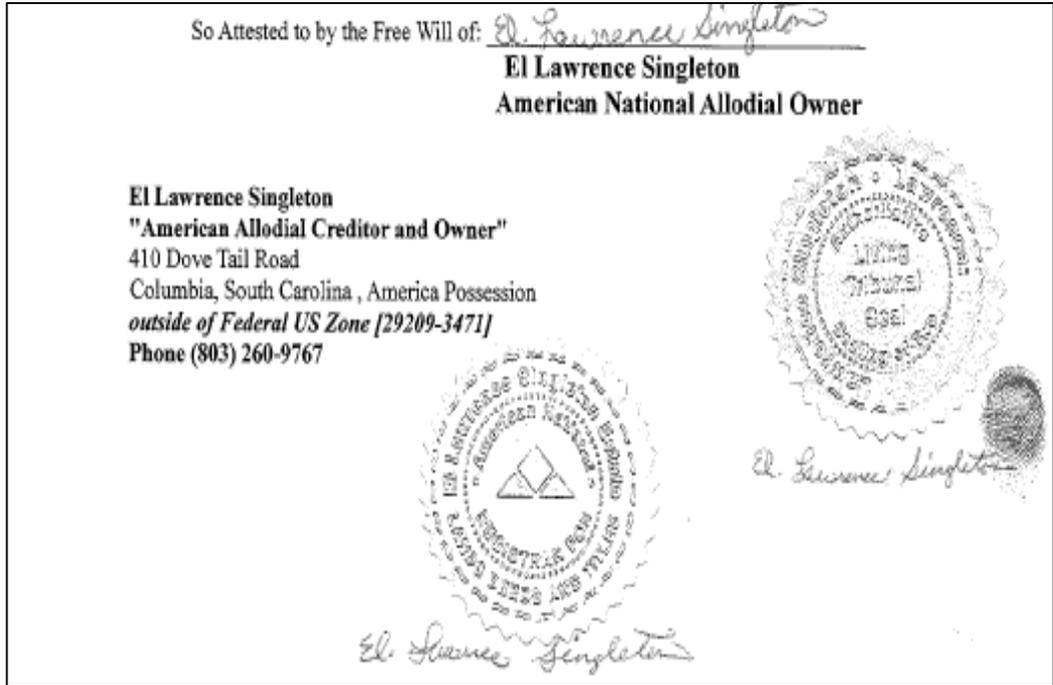
- ▶ Sovereign citizens believe that the various levels of government operate without authority and have no jurisdiction over them. They tend to be antagonistic towards government, especially law enforcement and judges.
- ▶ The Secretary of State's Office is targeted by sovereign citizens because the 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.

← Example of Sovereign Citizen Filing



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

LOCAL

Former Columbia postal worker convicted of tax fraud

Posted by Rachael Myers Lowe

rlowe@thestate.com



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

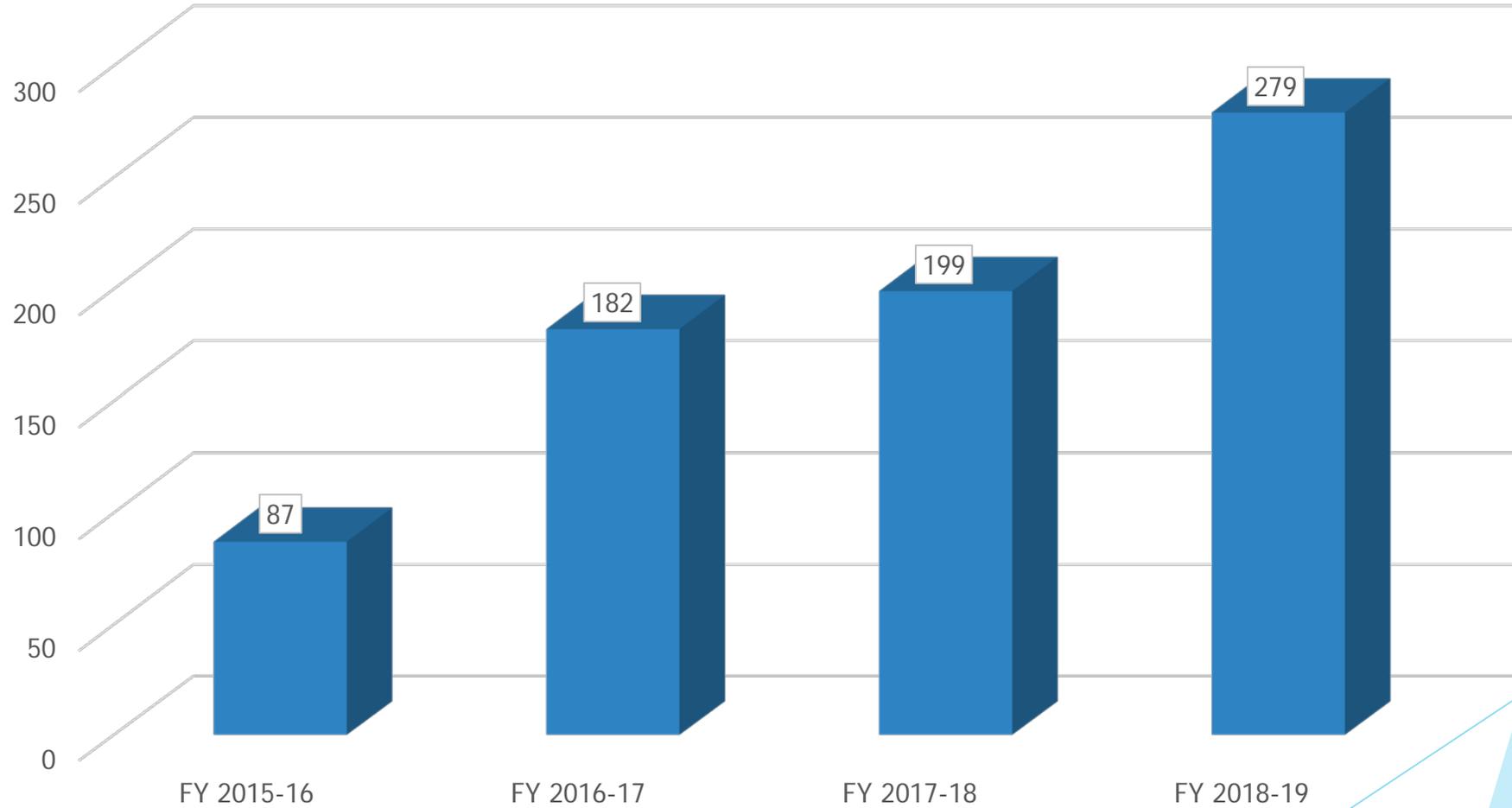
COLUMBIA, SC

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

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: _____

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

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 "l" 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.



133

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

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

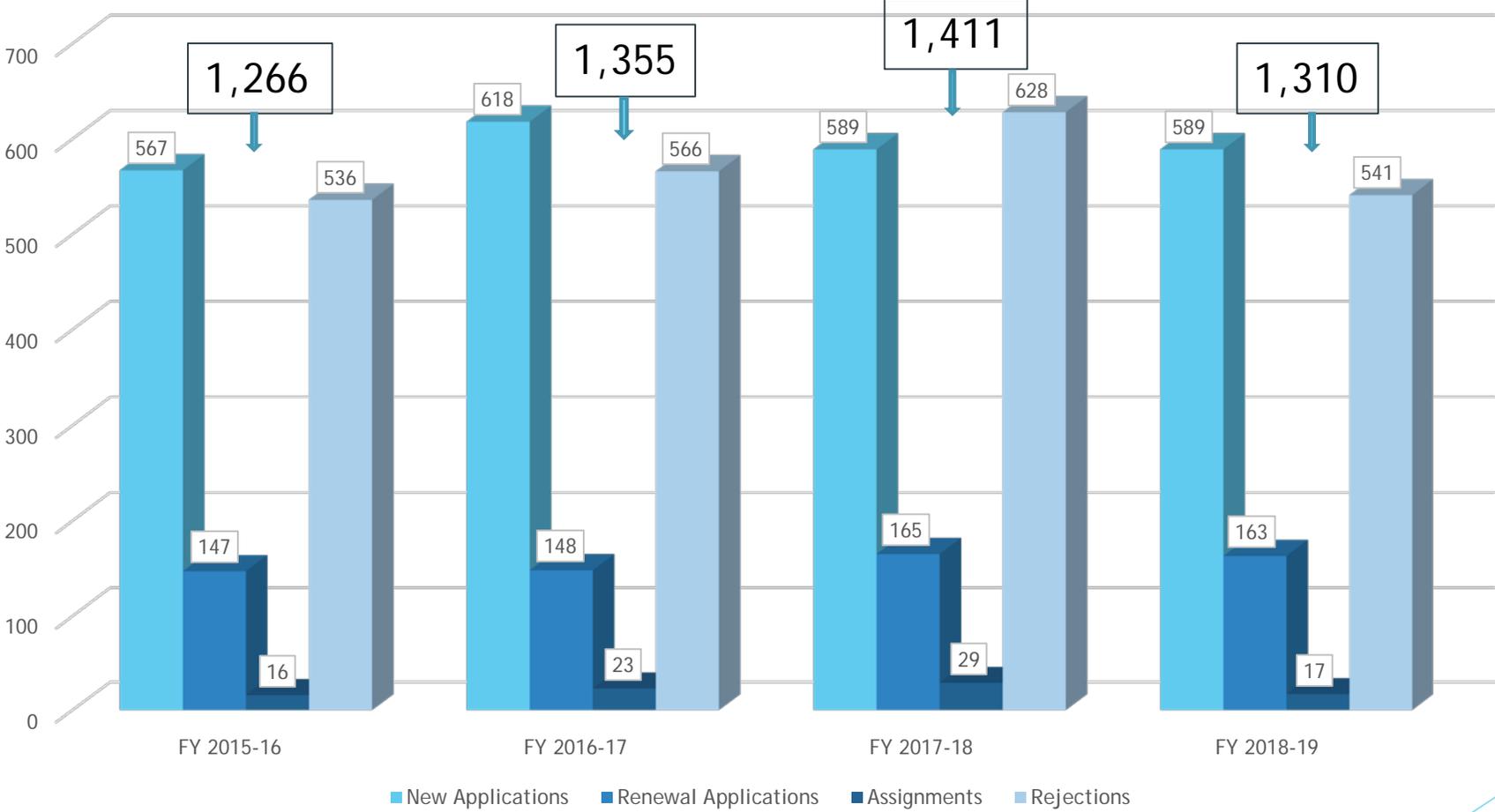
- ▶ Is merely descriptive or deceptively misdescriptive of the applicant's goods or services;
- ▶ Is primarily geographically descriptive or deceptively misdescriptive of the applicant's goods or services;
- ▶ Is merely a proper name or surname; or
- ▶ So resembles a mark registered in this State or 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.

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)

Number of Trademark and Service Mark Filings Processed



Appeal of Denial to Register a Trademark or Service Mark

Deliverable No. 54

- ▶ 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.

Provided under S.C. Code
§ 39-15-1120

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)

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

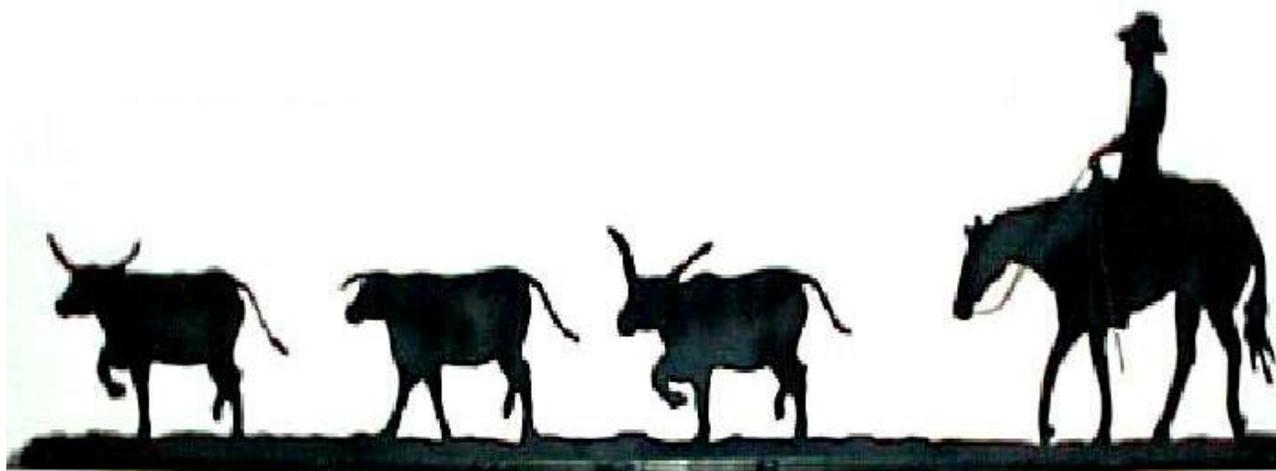
- ▶ S.C. Code of Laws §39-15-1140 requires that the Secretary of State keep a record of all registered and renewed marks and assignments of marks for public examination.
- ▶ In compliance with this section, the Secretary of State provides a listing of all current trademarks and service marks on its website 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.)

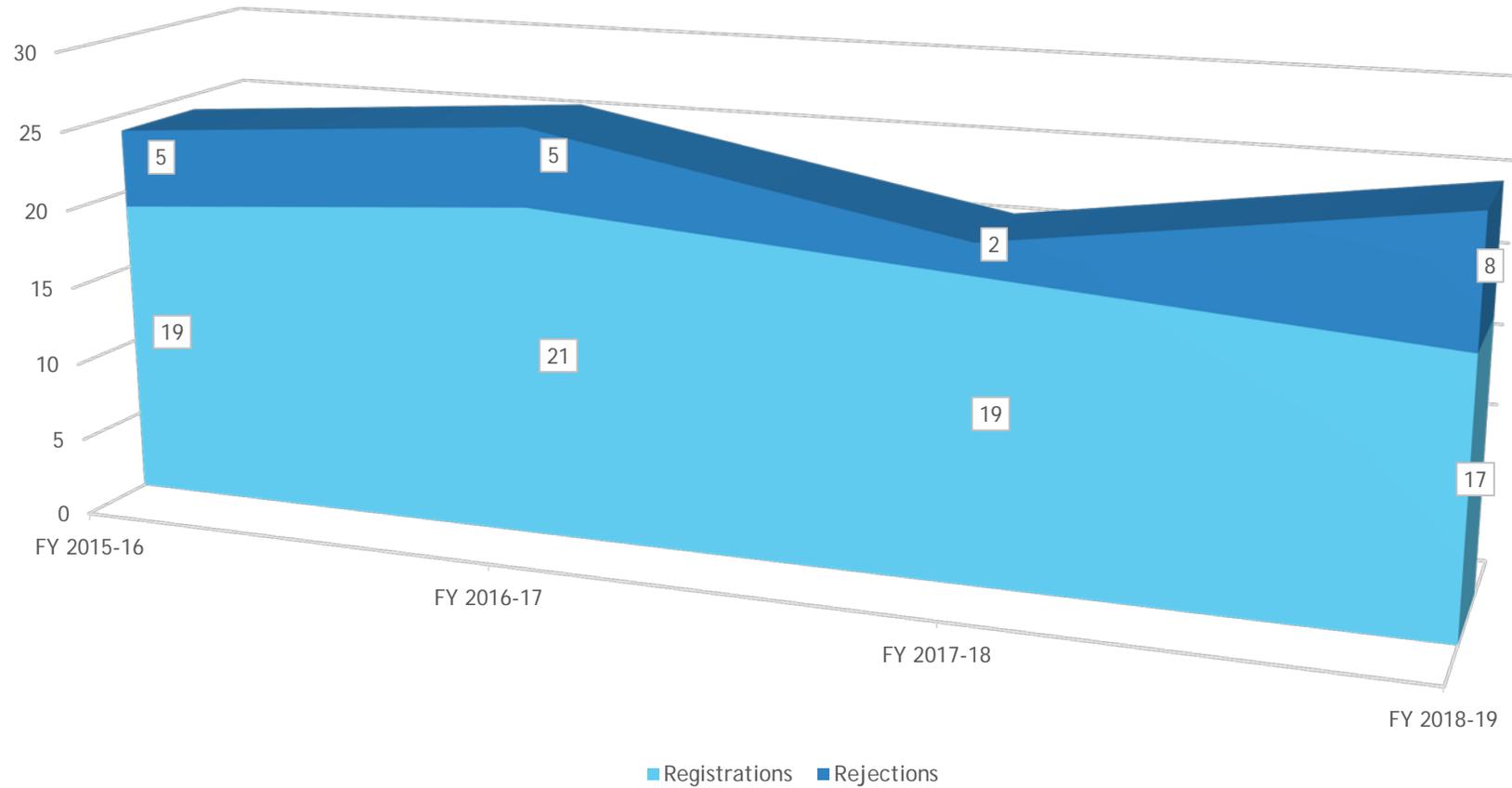


Required by S.C. Code
§ 47-9-270

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 inquires.
- ▶ 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 inquires 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

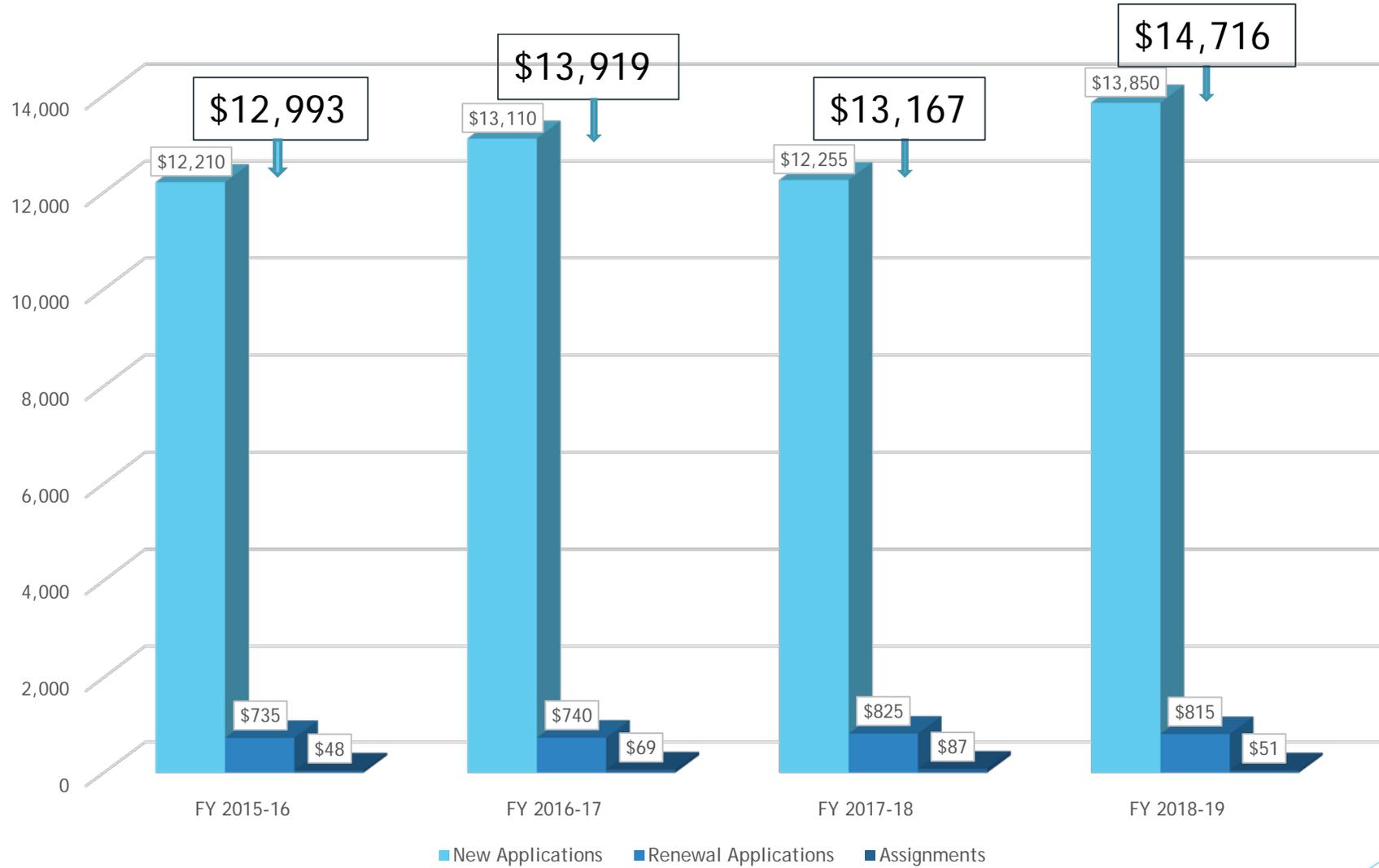
The Investigations & Trademarks Division collects fee revenue from the following sources:

- ▶ 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**)

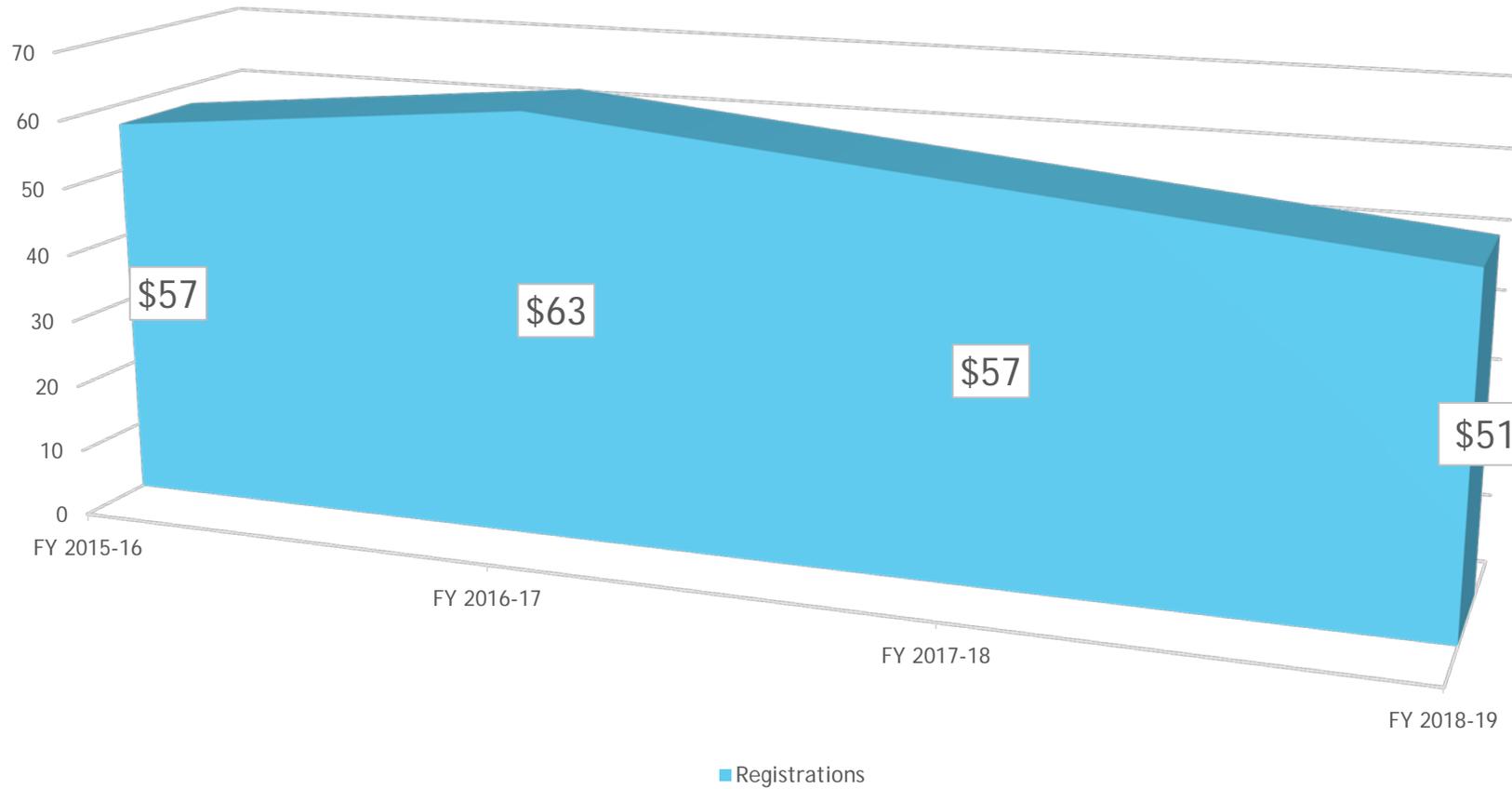
**Amount of fees have not increased since the initial passage of the Trademarks and Service Marks Act of 1993. (1994 Act. No. 486)*

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

Trademark and Service Mark Filing Fees Collected

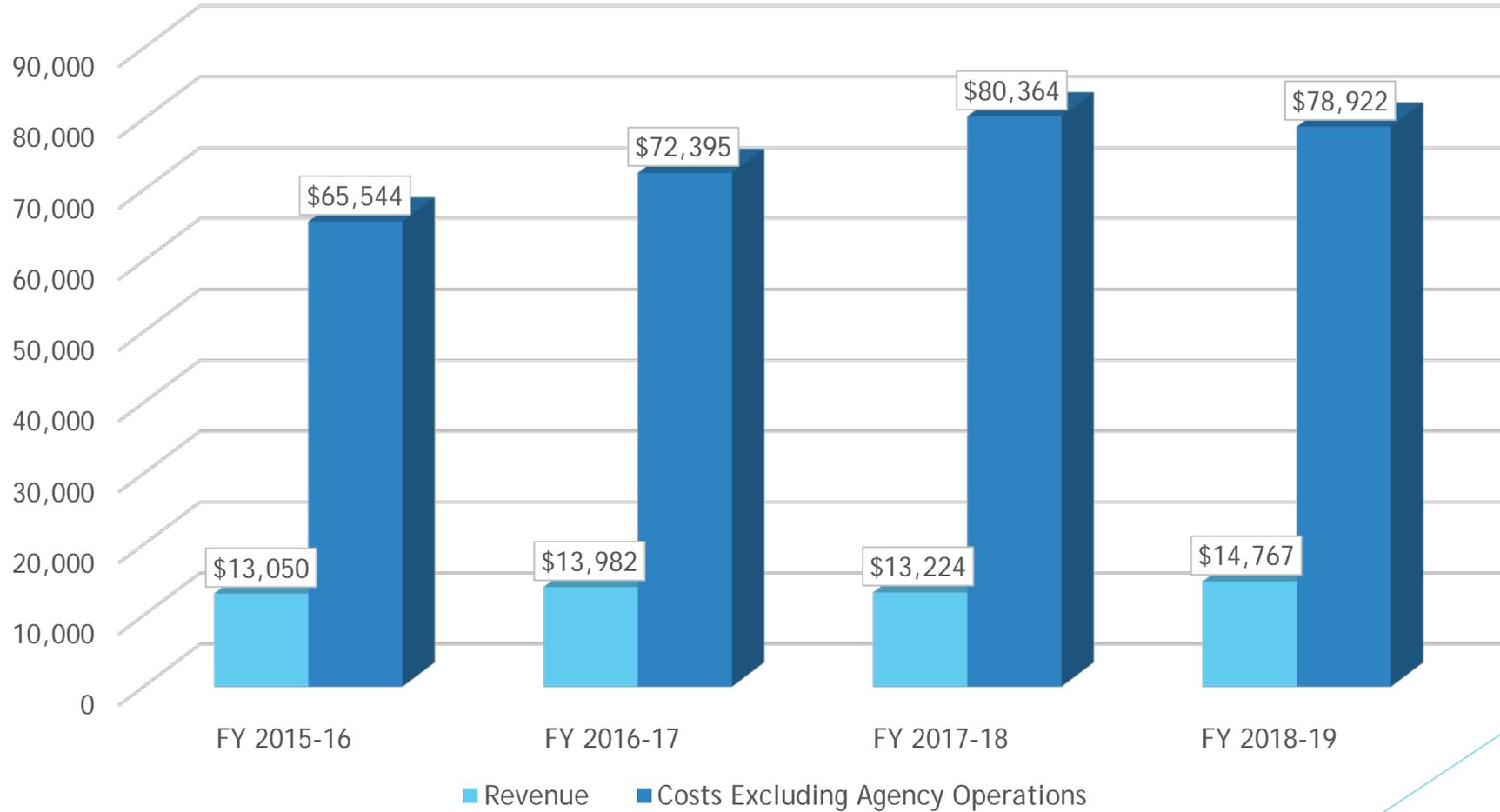


Livestock Brands and Earmarks Filing Fees Collected



150

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



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