

ORDINANCE NO. 2042

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE AMENDING CHAPTER 8.24 OF TITLE 8 OF THE GARDEN GROVE MUNICIPAL CODE PERTAINING TO RELIGIOUS AND CHARITABLE SOLICITORS

THE SEVERAL SECTIONS OF CHAPTER 8.24 OF TITLE 8 OF THE GARDEN GROVE MUNICIPAL CODE ARE AMENDED AS FOLLOWS:

Section 8.24.100 is amended to read as follows:

II Permits

8.24.100 Required - Exemption - Alternate Procedure. No person shall solicit contributions within the city for any religious or charitable purpose or for any religious or charitable organization or institution without a permit from the chief of collections. Permits required by this chapter shall be valid for one year from the date of issuance.

The provisions of this section shall not apply to any established person organized and operated exclusively for religious or charitable purposes of any person if the solicitations by such established person are conducted only among the members thereof and only by other members or officers thereof, voluntarily and without remuneration for making such solicitations, or if the solicitations are in the form of collections or contributions at the regular assemblies or services of any such established person. Nor shall the provisions of this chapter apply to any solicitation made upon premises owned or occupied by the association upon whose behalf such solicitation is made.

Section 8.24.110 is amended to read as follows:

8.24.110 Application. An application for a permit to solicit as provided by this Article II shall be made to the chief of collections upon forms provided by the city. Such application shall be sworn to by the applicant and filed with the chief of collections at least five days prior to the time at which the permit applied for shall become effective. Said application shall contain the following information, or in lieu thereof, a detailed statement of the reason or reasons why such information cannot be furnished:

(1) The name, address or headquarters of the person applying for the permit;

(2) If applicant is not an individual, the names and addresses of the applicant's principal officers and managers and a copy of the resolution, if any, authorizing such solicitation, certified to as a true and correct copy of the original by the officer having charge of applicant's records;

(3) The name and address of the combined campaign, each organization, or fund on behalf of which all or any part of the money collected will be utilized for charitable purposes;

(4) If there is no organization or fund, the manner in which the money collected will be utilized for charitable purposes;

(5) The purpose for which such solicitation is to be made, the total amount of funds proposed to be raised thereby, and the use and disposition to be made of any receipts therefrom;

(6) The names and addresses of the person or persons who will be in direct charge of conducting the solicitation and the names of all promoters connected or to be connected with the proposed solicitation;

(7) An outline of the method or methods to be used in conducting the solicitations;

(8) The time when such solicitation shall be made, giving the dates for the beginning and ending of such solicitation;

(9) The amount, stated as a percentage of the total gift or purchase price, that will be used for charitable purposes;

(10) If paid fund raisers are paid a set fee rather than a percentage of the total amount raised, the total cost that is estimated will be used for direct fundraising expenses;

(11) A full statement of the character and extent of the religious or charitable work being done by the applicant within the city;

(12) The non-tax-exempt status of the organization or fund, if the organization or fund for which the money or funds are being solicited does not have a charitable tax exemption under both federal and state law;

(13) The percentage of the total gift or purchase price which may be deducted as a charitable contribution under both federal and state law. If no portion is so deductible a statement that "This contribution is not tax deductible";

(14) Whether the applicant has been convicted of a crime of fraud, deceit or moral turpitude within the preceding year, or currently on probation, parole or subject to incarceration as a result of such conviction; if applicant is not an individual, the above information shall be provided as to each officer and manager of applicant;

(15) If the organization making the solicitation represents any non-governmental organization by any name which includes, but is not limited to, the term "officer," "peace officer," "police," "law enforcement," "reserve officer," "deputy,"

"California Highway Patrol," "Highway Patrol," or "deputy sheriff," which would reasonably be understood to imply that the organization is composed of law enforcement personnel, give the total number of members in the organization and the number of members working or living within the county where the solicitation is being made, and if the solicitation is for advertising, the statewide circulation of the publication in which the solicited ad will appear;

Applicant shall also submit an audited a financial statement for the last preceding fiscal year of any funds collected for religious or charitable purposes by the applicant, said statement giving:

(A) the amount of money so raised,
(B) the cost of raising it,
(C) final geographic distribution by cities of such money, or if all funds have been given to another religious or charitable institution or organization, the name of that institution or organization.

Applicant shall provide such other information as may be reasonably required by the chief of collections in order for him to determine the kind and character of the proposed solicitation.

If, while any application is pending, or during the term of any permit granted thereon, there is any change in fact, policy, or method that would alter the information given in the application, the applicant shall notify the chief of collections in writing thereof within twenty-four hours after such change, and present the permit to chief of collections for amendment to accurately reflect the new information. The permittee shall forthwith provide amended credentials to each solicitor or agent in the manner provided in Section 8.24.210.

Section 8.24.120 is amended to read as follows:

8.24.120 Standards. The chief of collections shall conduct the investigation as required by Article III of this chapter and shall issue to the applicant within three (3) business days following the date of application, whenever he finds that all of the statements made in the application are true.

The chief of collections shall keep a permanent record of permits issued and shall notify the applicant by certified mail.

Section 8.24.130 is repealed and a new Section 8.24.130 is added to read as follows:

8.24.130 Denial. Any denial recommended by the chief of collections shall be set for hearing before the City Council at the next regular council meeting, not less than five (5) days following date of denial. The chief of collections shall give written notice of the denial and hearing to the applicant by first class mail, postage prepaid, on the date recommendation of

denial is made. The notice shall state the time, place and date of the hearing and set forth the specific reasons for denial, as provided in Section 8.24.180.

Section 8.24.140 is amended to read as follows:

8.24.140 Form. All permits issued under this chapter must be signed by the chief of collections; and shall bear the following information: (1) number of the permit; (2) the date issued; (3) a statement that the permit does not constitute an endorsement by the city or by any of its departments, officers or employees of the purpose or of the person conducting the solicitation; (4) all information required by Section 8.24.110 for permit application items (1) through (15); and (5) a statement that an audited financial statement for the previous year is on file with the City of Garden Grove.

An exemption permit issued pursuant to the alternative procedure of Section 8.24.175 need not contain items (4) and (5).

A new Section 8.24.175 is added to read as follows:

Section 8.24.175 Alternative Procedure. Compliance with parts I, II and III, this chapter may be made by any person who presents to the Chief of Collection, documents to be used in the solicitation that comply with requirements of Business and Professions Code sections 17510 et. seq. Such presentation shall be made at least five days prior to the date solicitation is to commence. Upon receipt of documents compliant with Business and Professions Code requirements, the Chief of Collections shall issue a charitable or religious solicitation exemption permit. No fee shall be charged for this permit.

Such exemption permit shall be deemed to include the documents used to comply with Business and professions Code upon which th exemption permit is granted. The presentation of the solicitation permit required by Section 8.24.210 shall require presentation of the documents used to comply with the Business and Professions Code as well.

Section 8.24.180 is amended to read as follows:

8.24.180 Report of Application The chief of collections shall examine all applications filed under this chapter and shall make, or cause to be made, such further investigation of the application and the applicant as the chief of collections shall deem necessary in order for him to perform his duties under this chapter. The chief of police shall render any assistance requested by the chief of collections in the furtherance of this investigation.

The chief of collections shall make a written report of his findings and shall make the report available to the city council in order that the city council may be fully informed as to the affairs of any of said persons. The chief of collections shall

fully and fairly inform the city council of all facts necessary to a full understanding by the city council of the work and methods of operation of such persons, provided:

If the chief of collections recommends that the application for permit be denied, the chief of collections shall serve a copy of findings and recommendation by mail upon the person investigated and at the time of the consideration by the city council, a copy of any written statement by said person shall be available for the consideration of the city council.

Section 8.24.210 is amended to read as follows:

8.24.210 Credentials of agents and solicitors. All persons to whom permits have been issued under this chapter shall furnish credentials to their agents and solicitors for such solicitation which shall include:

- 1) the true name of the individual solicitor;
- 2) a photograph of the individual depicting current physical appearance, taken within six (6) months preceding the date of issuance; and
- 3) all information required to be stated on the permit.

This section may be satisfied by providing each solicitor with a photocopy of the permit and an identification and identifying the individual solicitor by name as an agent or solicitor for the person to whom the permit is issued. The information on the credentials and card shall be in at least 10-point type.

No person shall solicit for any religious or charitable cause without having such credentials in his possession, and such person shall present these credentials to any person solicited, or upon request to the chief of collections or his representative, or to any police officer of the city. Presentation of credentials shall be of sufficient duration to allow the person to whom presented to read the content of the credentials.

If the initial solicitation or sales solicitation is made by radio, television, letter, telephone, or any other means not involving direct personal contact with the person solicited, this solicitation shall clearly disclose the information required to be contained in the permit. This disclosure requirement shall not apply to any radio or television solicitation of 60 seconds or less. If the gift is subsequently made or the sale is subsequently consummated the solicitation or sale for charitable purposes card shall be mailed to other otherwise delivered to the donor, or to the buyer with the item or items purchased.

Section 8.24.220 is amended to read as follows:

8.24.220 Written receipts required. Any person receiving money or anything having a value of one dollar or more from any contributor under a solicitation made pursuant to a permit granted under this chapter shall give to the contributor a written receipt signed by the solicitor showing plainly the name and permit number of the person under whose permit the solicitation is conducted, the year, and the amount received; provided, however, that this section shall not apply to any contributions collected by means of an unattended closed box or receptacle at a fixed location.

Section 8.24.230 is amended to add to the end thereof to read as follows:

Such records shall be maintained on the basis of generally accepted accounting principles as defined by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board. The disclosure requirements on the identification card and report of disbursements required by Section 8.24.240 shall be based on the same accounting principles used to maintain the soliciting organization's financial records.

Section 8.24.240 is amended to read as follows:

8.24.240 Report of receipts and disbursements. It shall be the duty of all persons issued permits under this chapter to furnish to the chief of collections within ninety days after the solicitation has been completed, or if the solicitation is of a continuing nature, within 90 days of the anniversary date of solicitation, as to the proceeds of the immediately preceding years solicitations, a detailed report and financial statement showing the amount raised by the solicitation, the amount expended in collecting such funds, including a report of the wages, fees, commission and expenses paid to any person in connection with such solicitation and the disposition of the balance of the funds collected by the solicitation. This report shall be available for public inspection at the office of the chief of collections at any reasonable time. The permit holder shall make available to the chief of collections, or to any person designated in writing by the chief of collections, as his representative for such purpose, all books, records, and papers whereby the accuracy of the report required by this section may be checked.

The foregoing ordinance was passed by the City Council of the City of Garden Grove on the 21st day of March, 1988.

ATTEST:


MAYOR


CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, CAROLYN MORRIS, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Ordinance was introduced and presented on March 14, 1988 with vote as follows:

AYES: COUNCILMEMBERS: (5) DINSEN, DONOVAN, KRIEGER, LITRELL, WILLIAMS
NOES: COUNCILMEMBERS: (0) NONE
ABSENT: COUNCILMEMBERS: (0) NONE

and was passed on March 21, 1988 by the following vote:

AYES: COUNCILMEMBERS: (4) DINSEN, KRIEGER, LITRELL, WILLIAM
NOES: COUNCILMEMBERS: (0) NONE
ABSENT: COUNCILMEMBERS: (1) DONOVAN


CITY CLERK