Chairman Wiggam, Vice Chair Stephens, Ranking Member Kelly and members of the House State and Local Government Committee, thank you for allowing me to come before you today and present sponsor testimony on House Bill 457.

Each year in Ohio, professional solicitors raise multiple millions of dollars on behalf of charities. It has recently come to my attention that in more than a few cases a very small percentage of the total amount raised actually goes the charities. In fact, there are some cases where the charity received 0% of the dollars raised by the professional solicitor. I have also learned there are operators who drop collection receptacles in parking lots that are designed to look like legitimate charities in an effort to confuse donors.

Because of examples like these and others, I and my staff have worked extensively with the office of Ohio’s Attorney General as well as interested parties and charities to develop meaningful changes that will increase both transparency and accountability for professional solicitors. These changes will help to ensure that the citizens of Ohio are better protected as well as those legitimate companies who operate within Ohio.

This proposed legislation will require operators of collection receptacles to register as professional solicitors and allows the Attorney General’s office to publish the information a professional solicitor submits regarding a solicitation.

Under the bill, the operation of a collection receptacle qualifies as a solicitation and, therefore, the operator of a collection receptacle is required to display certain information, such as which charitable organization is collecting the items.

This bill amends the terms that must be included in a contract between a professional solicitor and a charity. Current law says the contract must specify the percentage of the gross revenue the charity will receive. The bill removes this and says that it needs to specify the benefit the charity will receive.
In addition, a professional solicitor cannot use prerecorded calls that would violate federal law. The bill explicitly states that if the Attorney General has reasonable cause to believe that a professional solicitor is violating the law, he may obtain a number of materials including, but not limited to, the professional solicitor’s pitch sheets, solicitation scripts, and audio recordings.

Thank you once again, Chairman Wiggam, and committee members for allowing me to testify on House Bill 457. I would be happy to answer any questions you may have at this time.