

PROPOSED PUBLIC SOLICITATION BILL

Frequently Asked Questions (FAQs)

1. Why is there a need to repeal existing Solicitation Permit Law?

- ✚ The proposed bill shall provide for the regulation and issuance of Solicitation Permit from the Local Level to National Level.
- ✚ It shall repeal Presidential Decree No. 1564 otherwise known as the Solicitation Permit Law that provides for the issuance of solicitation permit at the DSWD Regional Offices and, Executive Order No. 24 series of 2001 which delegates to the DSWD Secretary the authority to grant authorization for the conduct of national fund raising campaign and mandating the DSWD Secretary to approve/disapprove request for national fund raising campaign.

2. What are the Existing Public Solicitation Laws/Issuances?

- ✚ **P.D. 1564 of 1978 amending Act No. 4075 series of 1933**, otherwise known as the Solicitation Permit Law states that those desiring to solicit or receive contributions for charitable and public welfare purposes shall first secure a permit from the DSWD Regional Office.
- ✚ **Executive Order No. 15 series of 1998** mandates the DSWD to regulate fund drives, public solicitations and donations for charitable or welfare purposes
- ✚ **Executive Order No. 24 series of 2001** delegating to the DSWD the authority to grant authorization for the Conduct of National Fund Raising Campaigns and mandating the DSWD Secretary to approve or disapprove requests for national fund raising campaigns
- ✚ **R.A. 7160 or the Local Government Code of 1991** authorizes the City or Municipal Mayor to issue permits without need of approval from any national government agency for holding of activities for any charitable or welfare purposes excluding prohibited games of chance or shows contrary to law, public order and public morals

3. What are the purposes of having the Bill enacted into Law?

- ✚ To regulate public solicitations
- ✚ To protect the general public from unscrupulous solicitation activities
- ✚ To ensure that funds are properly utilized for the intended charitable, social or public welfare purposes and, for the intended beneficiaries
- ✚ To strengthen the system of granting permit or authorization to primarily solicit funds or donations from the public

4. What is/are the coverage/s of the Bill?

- ✚ All solicitation activities conducted in the country
- ✚ NGAs, GOCCs, SUCs, LGUs and other government agencies, individuals, CSOs including faith-based organizations, people's organizations, NGOs, Academe, Associations and similar organizations, chapters and affiliates of similar international organizations operating in the Philippines which are partly or fully financed by funds solicited or contributed by the public or private sectors

5. What are the Exemptions from Coverage for a Solicitation Permit?

- ✚ Organizations and agencies created by law that specifically confer them with authority to solicit or conduct fund campaign for charitable, social and/or public welfare purposes shall continue to be covered by their charters and shall not be required to secure a solicitation permit. Provided, that the DSWD and the LSWDO shall be informed in writing before the conduct of solicitation campaign and shall have authority to monitor their solicitation activities and to require these organizations to submit reports pertaining to the conduct of public solicitation and utilization of solicited funds
- ✚ Caroling during holiday seasons regardless of the purpose
- ✚ Solicitation for religious purposes that are made within religious sanctuaries such as churches, mosques or such any building structures regularly used for religious service or worship.
- ✚ Request of individual's financial assistance from the Philippine Charity Sweepstakes Office (PCSO) and similar agencies.

6. What are the requirements for solicitation permit?

- ✚ Duly Accomplished Application Form signed by the individual, organization or agency head or an authorized representative
- ✚ Project Proposal for individual case or in the case of organization or agency, a proposal approved by the head of the applicant on the intended public solicitation activity including the work and financial plan on the activity to be undertaken, and information and details relative to the intended beneficiaries
- ✚ Personal Profile of individual applicant attesting to the applicant's identity, integrity and capability to launch a solicitation activity including proof showing that the applicant is the parent, guardian or immediate relative within the 3rd degree of affinity/consanguinity of the patient
- ✚ In the case of applicant organization or agency, a Certified True Copy (CTC) of Certificate of Registration with SEC and Articles of Incorporation and By-Laws, any regulatory government agency that has jurisdiction to regulate the applying organization or agency.
- ✚ Updated Certificate of Good Standing from the SEC or any regulatory government agency that has jurisdiction to regulate the applying organization or agency.
- ✚ Notarized Written Agreement or any similar document signifying the intended beneficiary/ies concurrence to be recipient/s of the solicitation activity

- ✚ Notarized Board Resolution or any written authorization for the organization or agency's planned solicitation activity which shall ensure strict compliance to the standard ratio of fund utilization

7. Who are the authorized Authorities to Issue Solicitation Permit?

- ✚ Secretary of the DSWD Secretary or duly authorized Undersecretary of DSWD for National Public Solicitations
- ✚ DSWD Regional Director or any duly authorized representative for Regional Public Solicitations
- ✚ The Provincial Governor through the Provincial Social Welfare and Development Office (PSWDO) any duly authorized representative for Provincial Public Solicitations
- ✚ The City/Municipal Mayor through the City/Municipal Social Welfare and Development Office (C/MSWDO) any duly authorized representative for City/Municipal Public Solicitations

8. What is the Validity Period of the Solicitation Permit?

- ✚ Solicitation Permit shall be valid on the approved dates of coverage
- ✚ Solicitation Permit is valid for one (1) year upon issuance
- ✚ Shall be used within the specified city, municipality, regions or areas in the Philippines
- ✚ Its validity shall not extend outside the Philippines even the donors or beneficiaries are Filipinos
- ✚ An organization or agency with a good track record in conducting public solicitation as determined by the DSWD, PSWDO, CSWDO or the MSWDO may be granted a Solicitation Permit with longer validity period which shall not exceed two (2) years

7. What are the Types of Solicitations?

- ✚ **Local Public Solicitation** – refers to a solicitation activity conducted within the city or municipality.
- ✚ **Provincial Public Solicitation** - refers to a solicitation activity conducted within two (2) or more cities or municipalities in the same province.
- ✚ **Regional Public Solicitation** – refers to a solicitation activity conducted within two or more provinces in the region.
- ✚ **National Public Solicitation** – refers to the solicitation activity conducted in two or more regions.

8. What are the Methods of Public Solicitation?

- ✚ Written requests such as letters of appeal, envelopes and cards
- ✚ Mass media campaign such as through television, radio, magazine, newspaper and billboards

- ✚ Distribution, circulation, publication or posting of written advertisements or other similar forms
- ✚ Rummage Sales and sale of goods including souvenir items
- ✚ Benefit shows including concerts, fashion shows and other forms of entertainment
- ✚ Fun Run, Marathon, Cycling and other forms of sports
- ✚ Popularity Contests
- ✚ Donation Box, Coin Banks and similar methodologies
- ✚ Other methodologies that may be allowed by the DSWD, PSWDO, C/MSWDO.

9. What are the Responsibilities/Obligations of the Concerned Organization or Agency issued with a Solicitation Permit?

- ✚ Shall submit an Audited Financial Report or Fund Utilization Report and other reports that may be required by the issuing office

10. How the Proceeds from Public Solicitation shall be allocated?

- ✚ Not less than seventy percent (70%) shall be allocated for programs, projects or activities for the targeted beneficiaries. Provided that in cases where the solicitation campaigns are conducted to fund programs and projects to help disaster/calamity stricken areas or resolve national or local crises, a more flexible rate or allocation of proceeds, is allowed.
- ✚ Not more than thirty percent (30%) for administrative costs

11. What are the Prohibited Acts?

- ✚ Soliciting without securing a solicitation permit from the DSWD, the PSWDO, the CSWDO and the MSWDO
- ✚ Solicitation activities beyond the allowed area of coverage as indicated in the approved Solicitation Permit
- ✚ Violating the mode of solicitation as indicated in the approved solicitation permit
- ✚ Using a falsified or tampered solicitation permit
- ✚ Soliciting with an expired Solicitation Permit
- ✚ Using of solicited funds other than those indicated in the application form
- ✚ Including the beneficiaries as part of the strategy or mechanism in conducting solicitation activity
- ✚ Using of solicitation paraphernalia which portray dehumanizing picture, information or situation of the intended beneficiaries
- ✚ All games of chance, the conduct of which is for charitable, public and social welfare activities
- ✚ Disbursement of solicited funds not in accordance with the standard fund utilization ratio

13. What are the Penalties for Violations?

- ✚ Any organization, institution, agency, association or individual/person that violates the provisions of Section 19 of this Act shall be punished with imprisonment of not less than one (1) year but not more than three (3) years or a fine of not less than Three Hundred Thousand Pesos (PhP300,000.00) but not more than one million pesos (PhP1,000,000.00) or both, at the discretion of the court.
 - ✚ **For 1st Offense**, the solicitation permit of the concerned organization or person shall be revoked and no permit shall be issued to them for a period of two (2) years from the date of violation
 - ✚ **For the 2nd Offense**, the concerned organization or agency shall be permanently banned from conducting any solicitation activity. Further, its registration or license to operate as an organization or agency shall be cancelled and revoked permanently.

14. What happens to the Proceeds of Unauthorized Solicitations?

- ✚ Proceeds from unauthorized solicitations shall be forfeited in favor of the government.

15. Monitoring of Solicitation Activities

The individual, organization or agency shall submit to the concerned DSWD or LSWDO the following:

- ✚ Not later than sixty (60) days after the issuance of permit
 1. If the solicitation permit was not used;
 - 1.1. Justification for not conducting or continuing the solicitation activity within the validity period, and surrender the issued permit
 2. If the solicitation permit was used:
 - 2.1. An initial report or status of utilization of the issued permit
- ✚ Not later than sixty (60) days after the expiration of the issued permit
 1. Notarized Fund Utilization Report of income and expenditures
 2. List of Donors with their corresponding addresses, contact numbers and amount of donations
 3. List of Beneficiaries with their corresponding signatures, addresses, contact number and type of assistance received
 4. List of projects undertaken and completed with the indication of their location and cost
 5. Expired solicitation permit