



CHAPTER 131F
ARTICLE 4 - PROHIBITED ACTS AND ENFORCEMENT

N.C.G.S. § 131F-23.

Enforcement.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 02:53 UTC	SOURCE FINGERPRINT 4ebfbb1a4426beb58ba52f4a - c05f2fab3e733e93a039c452 - 4e891b4216cd30d0
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- § 131F-23(a)

Investigation. - The Department may conduct an investigation of any person whenever there is an allegation or appearance, either upon complaint or otherwise, that a violation of this Chapter or of any rule adopted or of any order issued pursuant to this Chapter has occurred or is about to occur.
- § 131F-23(b)

Subpoena Power. - The Department may issue and serve subpoenas and subpoenas duces tecum to compel the attendance of witnesses and the production of all books, accounts, records, and other documents and materials relevant to an examination or investigation. The Department, or its duly authorized representative, may administer oaths and affirmations to any person.
- § 131F-23(c)

Court Action. - In the event of substantial noncompliance with a subpoena or subpoena duces tecum issued or caused to be issued by the Department, the Department may petition the superior court of the county in which the person subpoenaed resides or has the principal place of business for an order requiring the subpoenaed person to appear and testify and to produce any books, accounts, records, and other documents as are specified in the subpoena duces tecum. The court may grant injunctive relief restraining the person from collecting contributions and any other relief, including the restraint by injunction or appointment of a receiver, or any transfer, pledge, assignment, or other disposition of the person's assets, or any concealment, alteration, destruction, or other disposition of subpoenaed books, accounts, records, or other documents and materials as the court deems appropriate, until the person or organization has fully complied with the subpoena or subpoena duces tecum and the Department has completed its investigation or examination. The

court may also order the person to produce a financial statement that has been audited by an independent certified public accountant. Costs incurred by the Department to obtain an order granting, in whole or in part, a petition for enforcement of a subpoena or subpoena duces tecum shall be taxed against the subpoenaed person and failure to comply with the order shall be contempt of court.

§ 131F-23(d)

Violations. - The Department may enter an order imposing one or more of the penalties set forth in subsection (e) of this section if the Department finds that a charitable organization, sponsor, fund-raising consultant, or solicitor, or their officers, agents, directors, or employees have engaged in any of the following acts:

- (1) Violated or is operating in violation of any of the provisions of this Chapter or of the rules adopted or orders issued under this Chapter.
- (2) Made a false statement in an application, statement, or report required to be filed under this Chapter.
- (3) Refused or failed, after notice, to produce any records or to disclose any information required to be disclosed under this Chapter or the rules adopted by the Department.
- (4) Made a false statement in response to any request or investigation by the Department or the Attorney General.

§ 131F-23(e)

Penalties. - Upon a finding as set forth in subsection (d) of this section, the Department may enter an order as follows:

- (1) Imposing an administrative penalty not to exceed one thousand dollars (\$1,000) for each act or omission which constitutes a violation of this Chapter or a rule or an order.
- (2) Issuing a cease and desist order that directs that the person cease and desist specified fund-raising activities.
- (3) Refusing to register or cancelling or suspending a registration.
- (4) Placing the registrant on probation for a period of time, subject to such conditions as the Department may specify.
- (5) Issuing of a letter of concern.
- (6) Cancelling an exemption granted under G.S. 131F-3.

§ 131F-23(f)

Procedures. - Except as otherwise provided in this section, the administrative proceedings which could result in the entry of an order imposing any of the penalties specified in subsection (e) of this section are governed by Chapter 150B of the General Statutes.

§ 131F-23(g)

Disposition of Penalties. - The clear proceeds of penalties provided for in subsection (e) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. (1993 (Reg. Sess., 1994), c. 759, s. 2; 1998-215, s. 81.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
2 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 131F-3	(e)(6)	"Cancelling an exemption granted under"
G.S. 115C-457.2	(g)	"and Forfeiture Fund in accordance with"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 131F-23 (2026).

PINPOINT

N.C. Gen. Stat. § 131F-23(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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