

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1794

H. P. 1431

House of Representatives, April 7, 1975

On motion of Mrs. Boudreau of Portland, referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Tierney of Durham.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Relating to the Statutes Concerning Charitable Solicitations.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 9-C MRSA is enacted to read:

TITLE 9-C

GENERAL FINANCING

PART 1

CHARITABLE SOLICITATIONS

CHAPTER 1

CHARITABLE SOLICITATIONS ACT

§ 1. Short title

This Act shall be known and may be cited as the "Charitable Solicitations Act."

§ 2. Legislative intent

It is the intention of the Legislature that this shall not be a mere registry statute, but an act intended not only to require proper registration of charitable organizations, professional fund-raisers and professional solicitors but also to regulate the soliciting of money and property by or on behalf of charitable organizations, professional fund-raisers, professional solicitors and to require proper accounting for the use and distribution of said funds.

§ 3. Definitions

As used in this chapter, unless the context specifically indicates otherwise, the following words shall have the following meanings.

1. Administrator. "Administrator" means the administrator of the Bureau of Consumer Protection.

2. Bureau. "Bureau" means the Bureau of Consumer Protection.

3. Charitable organization. "Charitable organization" means an organization which is or holds itself out to be a benevolent, educational, philanthropic, humane, patriotic, religious or eleemosynary organization which solicits or obtains contributions solicited from the public for charitable purposes after the effective date of this chapter. A chapter, branch, area, office or similar affiliate or any person soliciting contributions within the State for a charitable organization which has its principal place of business outside the State shall be a charitable organization for the purposes of this chapter. This definition shall not be deemed to include duly constituted religious organizations or any group affiliated with and forming an integral part of said organization no part of the net income of which inures to the direct benefit of any individual and which have received a declaration of current tax exempt status from the Government of the United States; provided, that no such affiliated group shall be required to obtain such declaration if the parent or principal organization shall have obtained same.

4. Contribution. "Contribution" means the promise or grant of any money or property of any kind or value.

5. Federal fund-raising organization. "Federal fund-raising organization" means a federation of independent charitable organizations which have voluntarily joined together, including but not limited to a United Fund or Community Chest, for purposes of raising and distributing money for and among themselves and where membership does not confer operating authority and control of the individual agencies upon the federated group organizations.

6. Parent organization. "Parent organization" means that part of a charitable organization which coordinates, supervises or exercises control over policy, fund-raising and expenditures, or assists or advises one or more chapters, branches or affiliates in the State.

7. Person. "Person" means any individual, organization, trust, foundation, group, association, partnership, corporation, society or any combination of them.

8. Professional fund-raising counsel. "Professional fund-raising counsel" means any person who for a flat fixed fee under a written agreement plans, conducts, manages, carries on, advises or acts as a consultant, whether directly or indirectly, in connection with soliciting contributions for, or on behalf of, any charitable organization but who actually solicits no contributions as a part of such services. A bona fide salaried officer or employee of a charitable organization maintaining a permanent establishment within the State shall not be deemed to be a professional fund-raising counsel.

9. Professional solicitor. "Professional solicitor" means any person who, for a financial or other consideration, solicits contributions for, or on behalf of, a charitable organization, whether such solicitation is performed personally or through their agents, servants or employees or through agents, servants or employees specially employed by or for a charitable organization, who are engaged in the solicitation of contributions under the direction of such person, or a person who plans, conducts, manages, carries on, advises or acts as a consultant, whether directly or indirectly, to a charitable organization in connection with the solicitation of contributions but does not qualify as "professional fund-raising counsel" within the meaning of this chapter. A bona fide full-time salaried officer or employee of a charitable organization maintaining a permanent establishment within the State shall not be deemed to be a professional solicitor.

No attorney, investment counselor or banker who advises any person to make a contribution to a charitable organization shall be deemed, as the result of such advice, to be a professional fund-raising counsel or a professional solicitor.

10. Solicitation. "Solicitation" means the asking, seeking, appealing, requesting, directly or indirectly by means of mail, personal contact, written material, radio, television, news media, magazines or other periodicals or any other means of communication, of money or property of any kind or value or pledges for the same.

§ 4. Registration of charitable organizations

1. Registration statement. Every charitable organization which intends to solicit contributions within this State or have funds solicited on its behalf shall, prior to any solicitation, file a registration statement with the bureau upon forms prescribed by the bureau, which shall be good for one full year and which shall be refiled in the next and each following year in which such charitable organization is engaged in solicitation activities. It shall be the duty of the president, chairman or principal officer of such charitable organization to file the statements required under this chapter. Such statements shall be sworn to and shall contain the following information:

A. The name of the organization and the purpose for which it was organized;

B. The principal address of the organization and the address of any offices in this State. If the organization does not maintain an office, the name and address of the person having custody of its financial records;

C. The names and addresses of any chapters, branches or affiliates in this State;

D. The place where and the date when the organization was legally established, the form of its organization and a reference to any determination of its tax exempt status under the Internal Revenue Code;

E. The names and addresses of the officers, directors, trustees and the principal salaried executive staff officer;

F. A copy of a balance sheet and income and expense statement audited by an independent public accountant for the organization's immediately preceding fiscal year or a copy of a financial statement audited by an independent public accountant covering, in a consolidated report, complete information as to all the preceding year's fund-raising activities of the charitable organization, showing kind and amount of funds raised, costs and expenses incidental thereto, and allocation or disbursement of funds raised;

G. Whether the organization intends to solicit contributions from the public directly or have such done on its behalf by others;

H. Whether the organization is authorized by any other governmental authority to solicit contributions and whether it is or has ever been enjoined by any court from soliciting contributions;

I. The general purpose or purposes for which the contributions to be solicited shall be used;

J. The name or names under which it intends to solicit contributions;

K. The names of the individuals or officers of the organization who will have final responsibility for the custody of the contributions;

L. The names of the individuals or officers of the organization responsible for the final distribution of the contributions;

M. The salaries paid to the 10 highest paid officials outside the State and the 5 highest paid officials working within the State. The word "pay" shall be interpreted to include total amounts paid including commissions as well as guarantees.

2. Administrator of the bureau. The administrator of the bureau or his designee shall examine each initial application of charitable organizations for the right to solicit funds and each renewal application of charitable organizations for the right to solicit funds and if found to be in conformity with the requirements of this chapter and all relevant rules and regulations, it shall be approved for registration. Any applicant who is denied approved registration may, within 15 days from the date of notification of such denial, request in writing a hearing before the bureau, which hearing shall be held within 15 days from the date of the request.

Each chapter, branch or affiliate, except an independent member agency of a federated fund-raising organization, may separately report the information required by this subsection or report the information to its parent organization which shall then furnish such information as to its Maine affiliates, chapters and branches in a consolidated form to the bureau. An independent member agency of a federated fund-raising organization, as hereinbefore defined, shall comply with the provisions of this chapter independently, unless specifically exempted from doing so.

The registration forms and any other documents prescribed by the bureau shall be signed by an authorized officer or by an independent public accountant and by the chief fiscal officer of the charitable organization and shall be verified under oath.

Every charitable organization which does not engage a professional solicitor or professional fund-raising counsel, expends less than 7% of the contributions received for administration purposes and submits a proper registration to the bureau shall pay an annual registration fee of \$10. Every other charitable organization which submits a proper registration to the bureau shall pay an annual registration fee of \$25 if the charitable organization solicits and receives gross contributions from the public of \$25,000 or less during the immediate preceding fiscal year. Every charitable organization which submits a proper registration to the bureau shall pay an annual registration fee of \$100 if the charitable organization solicits and receives gross contributions in excess of \$25,000 during the immediate preceding fiscal year. A parent organization filing on behalf of one or more chapters, branches or affiliates and a federated fund-raising organization filing on behalf of its member agencies shall pay a single annual registration fee for itself and such chapters, branches, affiliates or member agencies included in the registration statement.

Both the chapter, branch, area office or similar affiliate soliciting in this State, as well as the parent of a charitable organization which has its principal place of business outside of the State, shall be subject to all of the provisions hereof.

The bureau may make or cause to be made such investigation of any applicant as it shall deem necessary. As a result of its investigation and action, the bureau shall certify its approval or disapproval of the application. No applicant shall be approved if one or more of the following facts is found to exist:

- A. That one or more of the statements in the application are not true;
- B. That the applicant is or has engaged in a fraudulent transaction or enterprise;
- C. That a solicitation would be a fraud upon the public;
- D. That solicitation and fund-raising expenses, including not only payments to professional solicitors, but also payments to professional fund-raisers, and internal fund-raising and solicitation salaries and expenses, during any of the 3 years immediately preceding the date of application have exceeded 30% of the total moneys, pledges or other property raised or received by reason of any solicitation and fund-raising activities or campaigns. As used in this subsection, the term "internal fund-raising and expenses" shall include, but not be limited to, such portions of the charitable organization's salary and overhead expenses as were fairly allocable, on a time or other appropriate basis, to its solicitation and fund-raising expense. In the event special facts or circumstances are presented showing that expenses higher than 30% were not unreasonable, the bureau has the discretion to allow such higher expenses.
- E. That the expected cost of solicitation and fund-raising expenses for the specific year in which the application is submitted, including not only payments to professional solicitors, but also payments to professional fund-

raisers, and internal fund-raising and solicitation salaries and expenses, will exceed 30% of the total money, pledges or other property to be raised or received by reason of any solicitation and fund-raising activities or campaigns. As used in this subsection, the term "internal fund-raising and expenses" shall include, but not be limited to, such portion of the charitable organization's salary and overhead expenses as will be fairly allocable, on a time or other appropriate basis, to its solicitation and fund-raising expense. In the event special facts or circumstances are presented, showing that expenses higher than 30% will not be unreasonable, the bureau has the discretion to allow such higher expense.

F. That such activities to be financed will be incompatible with the health, safety or welfare of the citizens of the State.

§ 5. Certain persons and organizations exempt from registration

1. Exempted from filing annual registration statement. The following charitable organizations shall not be required to file an annual registration statement with the bureau:

A. Educational institutions, the curriculums of which in whole or in part are registered or approved by the Department of Educational and Cultural Services, either directly or by acceptance of accreditation by an accrediting body recognized by the Department of Educational and Cultural Services, provided that such educational institutions file with the bureau duplicates of annual fiscal reports;

B. Persons requesting contributions for the relief of any individual specified by name at the time of the solicitation when all of the contributions collected without any deductions whatsoever are turned over to the named beneficiary for his use;

C. Charitable organizations which do not intend to solicit and receive and do not actually raise or receive contributions from the public in excess of \$2,000 during a calendar year or do not receive contributions from more than 10 persons during a calendar year if all of their functions, including fund-raising activities, are carried on by persons who are unpaid for their services and if no part of their assets or income inures to the benefit of or is paid to any officer or member. Nevertheless, if the contributions raised from the public, whether all of such is or is not received by any charitable organization during any calendar year, shall be in excess of \$2,000, it shall within 30 days after the date it shall have received total contributions in excess of \$2,000, register with and report to the bureau as required by this chapter;

D. Hospitals which are nonprofit and charitable, provided that a copy of the annual fiscal report is filed with the bureau;

E. Organizations which solicit only within the membership of the organization by the members thereof;

The term "membership" shall not include those persons who are granted a membership upon making a contribution as the result of solicitation;

F. A local post, camp, chapter or similarly designated element or a county unit of such elements of a bona fide veterans' organization which issues charters to such local elements throughout this State, a bona fide organization of volunteer firemen, a bona fide ambulance association or bona fide rescue squad association or a bona fide auxiliary or affiliate of any such organization, provided all its fund-raising activities are carried on by members of such an organization or an affiliate thereof and such members receive no compensation directly or indirectly therefor.

2. Charitable organizations exempt from registration to submit report. Any charitable organization claiming to be exempt from the registration provisions of this chapter and which is about to or does solicit charitable contributions shall submit, annually, to the bureau on forms to be prescribed by the bureau, the name, address and purpose of the organization and a statement setting forth the reason for the claim for exemption. If exempted, the bureau shall issue, annually, a letter of exemption which may be exhibited to the public. No registration fee shall be required of any exempt organization.

§ 6. Limitations on amount of payments for solicitation or fund-raising activities

1. Payment of professional solicitor. No charitable organization shall pay or agree to pay to a professional solicitor or his agents, servants or employees in the aggregate a total amount in excess of 15%, including reimbursement for expenses incurred and direct payment of expenses incurred, of the total moneys, pledges or other property raised or received by reason of any solicitation activities or campaigns.

2. Limitation on solicitation and fund-raising expenses. No charitable organization shall incur solicitation and fund-raising expenses, including not only payments to professional solicitors, but also payments to professional fund-raisers and internal fund-raising and solicitation salaries and expenses, in excess of 30% of total moneys, pledges or other property raised or received by reason of any solicitation, gift and fund-raising activities or campaigns. As used in this subsection, the term "internal fund-raising and expenses" shall include, but not be limited to, such portions of the charitable organization's salary and overhead expenses as are fairly allocable, on a time or other appropriate basis, to its solicitation and fund-raising expense. In the event special facts or circumstances are presented showing expenses higher than 30%, the bureau has the discretion to allow such higher funds and may impose such conditions as the administrator of the bureau shall deem necessary for such exemption.

3. Actual cost of certain goods and wares not included. For purposes of this section, the total moneys, funds, pledges or other property raised or received shall not include the actual cost to the charitable organization or professional solicitor of goods sold or service provided to the public in connection with the soliciting of contributions.

4. Contracts involving professional fund-raising counsel to be filed. Every contract or written agreement between professional fund-raising

counsel and a charitable organization shall be filed with the bureau within 10 days after such contract or written agreement is concluded.

5. Contracts involving professional solicitor to be filed. Every contract or a written statement of the nature of the arrangement to prevail in the absence of a contract between a professional solicitor and a charitable organization shall be filed with the bureau within 10 days after such contract or written agreement is concluded. If the contract or arrangement with a professional solicitor does not provide for compensation on a percentage basis, the bureau shall examine the contract to ascertain whether the compensation to be paid in such circumstances is likely to exceed 15% of the total moneys, pledges or other property raised or received as a result of the contract or arrangement; if the reasonable probabilities are that the compensation will exceed 15% of the total moneys, pledges or other property, the bureau shall disapprove the contract or arrangement within 10 days after its filing. No registered charitable organization or professional solicitor shall carry out or execute a disapproved contract, or receive or perform services, or receive or make payments pursuant to a disapproved contract. Any party to a disapproved contract shall, upon written request made within 30 days of disapproval, be given a hearing before the bureau within 30 days after such request is filed.

§ 7. Limitation on activities of charitable organizations

No charitable organization subject to this chapter shall solicit funds from the public except for charitable purposes or expend funds raised for charitable purposes for noncharitable purposes.

§ 8. Registration of professional fund-raising counsel and professional solicitor; bonds; records; books

1. Professional fund-raising counsel; registration required. No person shall act as a professional fund-raising counsel or professional solicitor for a charitable organization subject to this chapter, unless he has first registered with the bureau. Applications for such registration shall be in writing under oath or affirmation in the form prescribed by the bureau and contain such information as the bureau may require. The application for registration by professional fund-raising counsel or professional solicitor shall be accompanied by an annual fee in the sum of \$100. A partnership or corporation which is a professional fund-raising counsel or professional solicitor may register for and pay a single fee on behalf of all its members, officers, agents and employees. However, the names and addresses of all officers, agents and employees of professional fund-raising counsel and all professional solicitors, their officers, agents, servants or employees employed to work under the direction of a professional solicitor must be listed in the application.

2. Applicant to file bond. The applicant shall, at the time of making application, file with and have approved by the bureau a bond in which the applicant shall be the principal obligor in the sum of \$10,000 with one or more sureties satisfactory to the bureau, whose liability in the aggregate as such sureties will at least equal the said sum and maintain said bond in effect so long as a registration is in effect. The bond shall run to the State

of Maine for the use of the bureau and any person who may have a cause of action against the obligor of said bonds for any losses resulting from malfeasance, nonfeasance or misfeasance in the conduct of solicitation activities. A partnership or corporation which is a professional fund-raising counsel or professional solicitor may file a consolidated bond on behalf of all its members, officers and employees.

3. Period valid; renewal. Each registration shall be valid throughout the State for a period of one year and may be renewed for additional one-year periods upon written application under oath in the form prescribed by the bureau and the payment of the fee prescribed herein.

4. Approval of registration. The administrator or his designate shall examine each application and if he finds it to be in conformity with the requirements of this chapter and all relevant rules and regulations and the registrant has complied with the requirements of this chapter and all relevant rules and regulations, he shall approve the registration. Any applicant who is denied approved registration may, within 15 days from the date of notification of such denial, request, in writing, a hearing before the bureau, which hearing shall be held within 15 days from the date of the request.

§ 9. Information filed to become public records

Registration statements and applications, reports, professional fund-raising counsel contracts or professional solicitor contracts and all other documents and information required to be filed under this chapter or by the bureau shall become public records in the office of the bureau, and shall be open to the general public for inspection at such time and under such conditions as the bureau may prescribe.

§ 10. Records to be kept by charitable organizations, professional fund-raising counsel and professional solicitors

Each charitable organization subject to this chapter shall, in accordance with the rules and regulations prescribed by the bureau, keep true fiscal records as to its activities in Maine as may be covered by this chapter in such form as will enable it accurately to provide the information required by this chapter. Upon demand, such records shall be made available to the bureau or the Attorney General for inspection. Such records shall be retained for a period of at least 3 years after the end of the period of registration to which they relate.

§ 11. Reciprocal agreements

The bureau may enter into reciprocal agreements with the appropriate authority of any other state for the purpose of exchanging information with respect to charitable organizations, professional fund-raising counsel and professional solicitors. Pursuant to such agreements, the bureau may accept information filed by a charitable organization, professional fund-raising counsel or professional solicitor with the appropriate authority of another state in lieu of the information required to be filed in accordance with this chapter, if such information is substantially similar to the information required under this chapter. The bureau shall also grant exemption from the requirement

for the filing of annual registration statement to charitable organizations organized under the laws of another state having their principal place of business outside the State of Maine whose funds are derived principally from sources outside the State and which have been granted exemption from the filing of registration statements by the state under whose laws they are organized, if such state has a statute similar in substance to this chapter.

§ 12. Prohibited acts

1. Fact of registration not exploited. No charitable organization, professional fund-raising counsel or professional solicitor, subject to this chapter, shall use or exploit the fact of registration so as to lead the public to believe that such registration in any manner constitutes an endorsement or approval by the State, provided that the use of the following statement shall not be deemed a prohibited exploitation: "Registered with the State of Maine as required by law. Registration does not imply endorsement of a public solicitation for contributions."

2. Misrepresentation of solicitation. No person shall, in connection with the solicitation of contributions for or the sale of goods or services of a person other than a charitable organization, misrepresent to or mislead anyone by any manner, means, practice or device whatsoever, to believe that the person on whose behalf such solicitation or sale is being conducted is a charitable organization or that the proceeds of such solicitation or sale will be used for charitable purposes, if such is not the fact.

3. Misrepresentation of sponsor. No person shall, in connection with the solicitation of contributions or the sale of goods or services for charitable purposes, represent to or lead anyone by any manner, means, practice or device whatsoever, to believe that any other person sponsors or endorses such solicitation of contributions, sale of goods or services for charitable purposes or approves of such charitable purposes or a charitable organization connected therewith when such other person has not given consent to the use of his name for these purposes. Any member of the board of directors or trustees of a charitable organization or any other person who has agreed either to serve or to participate in any voluntary capacity in the campaign shall be deemed thereby to have given his consent to the use of his name in said campaign.

4. Misrepresentation of emblem, device or printed matter. No person shall make any representation that he is soliciting contributions for or on behalf of a charitable organization or shall use or display any emblem, device or printed matter belonging to or associated with a charitable organization for the purpose of soliciting or inducing contributions from the public without first being authorized to do so by the charitable organization.

5. Requirements of professional solicitor. No professional solicitor shall solicit in the name of or on behalf of any charitable organization unless such solicitor has:

A. Written authorization of 2 officers of such organization, a copy of which shall be filed with the bureau. Such written authorization shall bear the signature of the solicitor and shall expressly state on its face the period for which it is valid, which shall not exceed one year from the date issued;

B. Such authorization with him when making solicitations and exhibits the same on request to persons solicited or police officers or agents of the bureau.

§ 13. Nonresident charitable organizations, professional fund-raising counsel and solicitors, designation of the Secretary of State as agent for service of process; notice of such service by Attorney General

Any charitable organization or professional fund-raising counsel or professional solicitor having its or his principal place of business outside the State, or organized under and by virtue of the laws of another state, which or who shall solicit contributions from people in this State, shall be subject to this chapter and shall be deemed to have irrevocably appointed the Secretary of State as its or his agent upon whom may be served any summons, subpoena, subpoena duces tecum or other process permitted by Title 9-A, section 6-107 and directed to such charitable organization, professional fund-raising counsel or professional solicitor or any partner, principal officer or director thereof in any action or proceeding brought under this chapter. Service of such process upon the Secretary of State shall be made by personally delivering to and leaving with him a copy thereof at the office of the Secretary of State, and such service shall be sufficient service provided that notice of such service and a copy of such process are forthwith sent by the bureau or the Attorney General to such charitable organization or professional fund-raising counsel or professional solicitor by registered or certified mail with return receipt requested at its or his office, as set forth in the registration form required to be filed in the bureau pursuant to this chapter or in default of the filing of such form, to the last address known by the Attorney General or by the bureau.

§ 14. Enforcement penalties

1. Penalties for violations of this chapter. If any charitable organization, professional fund-raising counsel or professional solicitor fails to file any registration application or statement, report or other information required to be filed by the bureau under this chapter, or otherwise violates this chapter, the bureau shall notify the delinquent charitable organization, professional fund-raising counsel or professional solicitor by mailing a notice by registered or certified mail, with return receipt requested, to its or his last known address. If the required registration application or statement, annual report or other information is not filed or if the existing violation is not discontinued within 7 days after the formal notification or receipt of such notice, the bureau may cancel, suspend the registration of such or refuse to accept delinquent charitable organization professional fund-raising counsel or professional solicitor.

2. Investigation. The bureau, upon its own motion or upon complaint of any person, may, if it has reasonable ground to suspect a violation, investigate any charitable organization, professional fund-raising counsel or professional solicitor to determine whether such charitable organization, professional fund-raising counsel or professional solicitor has violated this chapter or has filed any application or other information required under this chapter which contains false or misleading statements. If the bureau finds that any

application or other information contains false or misleading statements, or that a registrant under this chapter has violated the provisions thereof, it may recommend to the bureau that the registration be suspended or cancelled and the bureau may so order.

3. Revocation of registration. The registration of any charitable organization, professional fund-raising counsel or professional solicitor, which or who knowingly makes a false or misleading statement in any registration application or statement, report or other information required to be filed by the bureau or this chapter shall be revoked.

4. Proceedings; conduct. All proceedings under this chapter shall be conducted in accordance with Title 9-A, sections 6-401 through 6-414 and all bureau orders shall be subject to review and appeal as provided therein.

5. Penalty. In addition to the foregoing, any person who willfully and knowingly violates any provisions of this chapter, or who shall willfully and knowingly give false or incorrect information to the bureau in filing statements or reports required by this chapter, whether such report or statement is verified or not, shall be guilty of a misdemeanor, and upon conviction thereof, shall, for the first offense, be punished by a fine of not less than \$100 nor more than \$500, or by imprisonment for not more than 6 months, or by both and for the 2nd and any subsequent offense by a fine of not less than \$500 nor more than \$1,000 or by imprisonment for not more than one year, or by both.

6. Attorney General or district attorney may bring action. Whenever the Attorney General or any district attorney shall have reason to believe or shall be advised by the bureau, who shall have given due notice and full hearing to the charitable organization, professional fund-raiser or professional solicitor, that the said fund-raising counsel, charitable organization or professional solicitor is operating in violation of this chapter or has knowingly and willfully made any false statements in any initial or any renewal application to solicit or in any other information required to be filed by this chapter or whenever a charitable organization, professional fund-raising counsel or professional solicitor has failed to file a registration statement required by this chapter, or whenever there is employed or is about to be employed in any solicitation or collection of contributions for a charitable organization any device, scheme or artifice to defraud or to obtain money or property by means of any false pretense, representation or promise, or whenever the officers or representatives of any charitable organization, professional fund-raising counsel or professional solicitor have refused or failed after notice to produce any records of such organization, or whenever the funds raised by solicitation activities are not devoted or will not be devoted to the charitable purposes of the charitable organization, in addition to all other actions authorized by law, the Attorney General or district attorney may bring an action in the name of the State against such charitable organization and its officers, such professional fund-raising counsel or professional solicitor or any other person who has violated this chapter or who has participated or is about to participate in any solicitation or collection by employing any device, scheme, artifice, false representation or promise, to defraud or obtain

money or other property, to enjoin such charitable organization or professional fund-raising counsel or professional solicitor or other person from continuing such violation, solicitation or collection, or engaging therein, or doing any acts in furtherance thereof and for such other relief as the court deems appropriate.

7. Bureau may refuse application. The bureau may refuse to grant an initial application to solicit, may refuse to renew an application and may revoke a registration of any charitable organization, professional fund-raising counsel or professional solicitor which or who knowingly makes a false statement in any initial registration application or renewal application or statement, annual report or other information required to be filed with the bureau by this chapter.

§ 15. Fees

The aggregate of fees provided by this chapter is appropriated for the use of the administrator of the Bureau of Consumer Protection for the administration and enforcement of this chapter. Any balance of said funds shall not lapse but shall be carried forward to be expended for the same purposes in the following fiscal year.

Sec. 2. 22 MRSA c. 853, as amended, is repealed.

FISCAL NOTE

The additional state revenue generated by enactment of this bill will be minimal.

STATEMENT OF FACT

The purpose of this bill is to seek and expand and strengthen protection for Maine citizens in the area of charitable solicitations. This chapter, if enacted, will be administered and enforced by the Bureau of Consumer Protection.