

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES (Filing No. H-1045)  
107TH LEGISLATURE  
FIRST SPECIAL SESSION

HOUSE AMENDMENT "A" to H.P. 1983, L.D. 2165, Bill, "AN ACT  
Relating to Charitable Solicitations."

Amend said Bill in section 1 by inserting after that part  
designated "§5005." a new section to read:

'§5005-A. Financial reports

Every charitable organization registered pursuant to  
section 5004, which in any fiscal year of the organization shall  
receive contributions in excess of \$15,000 and whose fund-raising  
functions in the fiscal year are not carried on solely by persons  
who are unpaid for services, shall file a written report with the  
Secretary of State, upon forms prescribed by the Secretary of  
State, within (six) months after the close of the fiscal year,  
which shall include a copy of the 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 account-  
ant covering, in a consolidated report, complete information as  
to all of the preceding year's fund-raising activities of the  
charitable organization, showing the balance sheet, kind and  
amounts of funds raised, costs and expense incidental thereto,  
allocation or disbursement of funds raised, changes in fund

balances, notes to the audit and opinion as to the fairness of the presentation by the accountant. The Secretary of State shall adopt rules and regulations for the reports, which shall be based upon the accounting and reporting procedures set forth in the 'Audit Guides' published by the American Institute of Certified Public Accountants, and as may be modified from time to time by the Institute or its successor.

Each organization shall pay a fee of \$25 to the Secretary of State upon the filing of a report.'

Statement of Fact

This amendment is modeled on the North Carolina Solicitation of Charitable Funds Act. The amendment is intended to require the disclosure of the costs of solicitation of charitable organizations which collect more than \$15,000 a year.

L.D. 2165, in its present form, fails to require such cost disclosures.

Filed by Mrs. Boudreau of Portland.

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