

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 394

H.P. 274

House of Representatives, February 6, 1991

Reference to the Committee on Business Legislation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

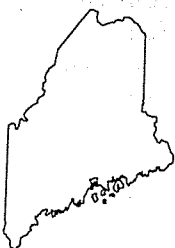
Presented by Representative STEVENS of Bangor.

Cosponsored by Representative GURNEY of Portland, Representative SHELTRA of Biddeford and Senator MATTHEWS of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Amend the Charitable Solicitations Act.



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

2
4 Sec. 1. 9 MRSA §5005, sub-§4 is enacted to read:

6 4. Campaign reports. The commissioner shall adopt rules
8 for a fund-raising report that the charitable organization must
10 file with the commissioner within 30 days of the completion of a
 specific fund-raising campaign. The rules must establish
 guidelines as to what activities constitute a charitable
 fund-raising campaign. The report must state:

12 A. The total charitable contribution dollars collected
14 during the fund raising; and

16 B. Out of the contributions collected during the fund
 raising campaign, the total dollars that have been or will
 be expended for:

18 (1) Program services;

20 (2) The fund-raising campaign; and

22 (3) Management.

24 Sec. 2. 9 MRSA §5017 is enacted to read:

26 §5017. Misrepresentations; use of name

28 Charitable organizations, commercial coventures,
30 professional fund-raising counsel and professional solicitors,
32 when soliciting contributions for any charitable purpose, are
 prohibited from:

34 1. Unfair or deceptive practices. Using unfair or
36 deceptive practices, including material misrepresentations to
 prospective contributors; or

38 2. Use of name. Using the name of any other person or
40 organization without the express written permission of the person
 or organization.

42
44 **STATEMENT OF FACT**

46 This bill prohibits the use of unfair or deceptive practices
48 in the course of soliciting charitable contributions. The bill
50 specifically prohibits material misrepresentations to potential
 contributors. This bill also prohibits the use of any person's
 or organization's name in the course of fund raising unless
 expressly authorized in writing by that person or organization.

2 Charitable organizations are also required to file with the
Commissioner of Professional and Financial Regulation within 30
4 days of completion of a fund-raising campaign a report describing
the amount of charitable solicitations received and the
percentage used for charitable purposes.