

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1506

S.P. 564

In Senate, May 7, 2013

An Act To Require Disclosures by 3rd-party Vendors Contracted To Perform Fund-raising

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator CAIN of Penobscot.
Cosponsored by Representative GOODE of Bangor and
Senator: CUSHING of Penobscot.

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

2 **Sec. 1. 9 MRSA §5011-A, sub-§4**, as enacted by PL 2003, c. 541, §15, is
3 amended to read:

4 **4. Disclosure of information.** Solicit a contribution from any person in this State
5 without clearly and conspicuously disclosing to the person, prior to the time the person
6 makes or authorizes payment of a donation:

7 A. The name and address of the professional solicitor;

8 B. That the solicitor is being paid by the charitable organization on whose behalf the
9 solicitation is being made; ~~and~~

10 C. How the potential contributor may obtain information from the State on the
11 respective percentages of contributions that will be paid to the charitable organization
12 and to the paid fund-raiser; ~~and~~

13 D. If the professional solicitor is paid on a percentage of donation basis and that
14 percentage exceeds 25% of the donation:

15 (1) The percentage of the donation that the professional solicitor receives;

16 (2) The percentage of the donation that the charitable organization receives;

17 (3) Whether the donation is sent by the person to the charitable organization or
18 to the professional solicitor; and

19 (4) Whether the professional solicitor is paid prior to or after the distribution of
20 the donation to the charitable organization.

21 **SUMMARY**

22 Current law places certain restrictions on professional solicitors, who are persons or
23 companies that solicit donations on behalf of charitable organizations.

24 This bill requires a professional solicitor who receives more than 25% of the solicited
25 donation to disclose to the donator the percentage of the donation the professional
26 solicitor receives, the percentage of the donation the charitable organization receives,
27 whether the donation is sent by the donator to the professional solicitor or to the
28 charitable organization and whether the professional solicitor's fee is paid prior to or after
29 the distribution of the donation to the charitable organization.

30 As under the current law, a failure to make the disclosures required by this bill is a
31 violation of the Maine Unfair Trade Practices Act and an intentional violation is a Class
32 D crime.