



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1566

H.P. 1151

House of Representatives, May 11, 2011

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

(AFTER DEADLINE)

(EMERGENCY)

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 cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative DAMON of Bangor.

Cosponsored by Representatives: FOSTER of Augusta, MAKER of Calais, O'CONNOR of Berwick, PARKER of Veazie, RIOUX of Winterport, SIROCKI of Scarborough, TURNER of Burlington, WINTLE of Garland.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** charitable solicitations are frequent occurrences; and

4 **Whereas,** without better disclosure requirements, citizens of Maine may be
5 deceived into contributing more money than they would if adequately informed; and

6 **Whereas,** in order to ensure that Maine citizens are adequately informed, it is
7 imperative that this measure take effect as soon as possible; and

8 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
9 the meaning of the Constitution of Maine and require the following legislation as
10 immediately necessary for the preservation of the public peace, health and safety; now,
11 therefore,

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

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

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

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

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

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

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

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

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

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

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

32 **Emergency clause.** In view of the emergency cited in the preamble, this
33 legislation takes effect when approved.

1 **SUMMARY**

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

4 This bill requires a professional solicitor who receives more than 25% of the solicited
5 donation to disclose to the donator the percentage of the donation the professional
6 solicitor receives, the percentage of the donation the charitable organization receives,
7 whether the donation is sent by the donator to the professional solicitor or to the
8 charitable organization and whether the professional solicitor's fee is paid prior to or after
9 the distribution of the donation to the charitable organization.

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