1	L.D. 1277
2	Date: (Filing No. S-)
3	INSURANCE AND FINANCIAL SERVICES
4	Reproduced and distributed under the direction of the Secretary of the Senate.
5	STATE OF MAINE
6	SENATE
7	126TH LEGISLATURE
8	FIRST REGULAR SESSION
9 10	COMMITTEE AMENDMENT " " to S.P. 438, L.D. 1277, Bill, "An Act To Streamline the Charitable Solicitations Act"
11	Amend the bill by striking out all of sections 5 and 6 and inserting the following:
12	'Sec. 5. 9 MRSA §5003, sub-§4-D is enacted to read:
13 14	4-D. Director. "Director" means the Director of the Office of Professional and Occupational Regulation within the Department of Professional and Financial Regulation.
15 16	Sec. 6. 9 MRSA §5003, sub-§5-A, as enacted by PL 1977, c. 696, §359, is repealed.'
17	Amend the bill by striking out all of section 8 and inserting the following:
18 19	'Sec. 8. 9 MRSA §5003, sub-§8, as enacted by PL 1977, c. 488, §1, is amended to read:
20 21 22 23	8. Principal officer. "Principal officer" means the president, <u>chairman chair</u> , <u>executive director</u> or other <u>charitable officers officer or employee</u> responsible for the daily operation of <u>the a charitable organization</u> , <u>a professional solicitor or professional fund-raising counsel</u> .'
24 25	Amend the bill in section 9 in §5004 in subsection 7 in the 2nd line (page 5, line 2 in L.D.) by striking out the following: "of a" and inserting the following: 'of any material'
26	Amend the bill by striking out all of section 12 and inserting the following:
27 28	'Sec. 12. 9 MRSA §5006, sub-§1, ¶A, as amended by PL 1999, c. 386, Pt. A, §15, is further amended to read:
29 30 31 32 33	A. Organizations that solicit primarily within their membership and where solicitation activities are conducted by members do not contract with a professional solicitor or professional fund-raising counsel. For purposes of this paragraph, the term "membership" does not include those persons who are granted a membership upon making a contribution as a result of a solicitation;

- **Sec. 13. 9 MRSA §5006, sub-§1, ¶D,** as amended by PL 2007, c. 402, Pt. A, §5 and by PL 2011, c. 286, Pt. B, §5, is further amended to read:
 - D. Charitable organizations that do not intend to solicit and receive and do not actually solicit or receive contributions from the public in excess of \$10,000 \$35,000 during a calendar year or do not receive contributions from more than \$40 \, 35 \text{ persons}\$ during a calendar year, if all fund-raising activities are carried on by persons who are unpaid for their services and if no part of the assets or income inures to the benefit of or is paid to any officer or member. If a charitable organization that does not intend to solicit or receive contributions from the public in excess of \$10,000 \$35,000 or does not intend to receive contributions from more than 35 persons during a calendar year does actually solicit or receive contributions in excess of that amount, whether or not all such contributions are received during a calendar year, or actually receives contributions from more than 35 persons during a calendar year, the charitable organization, within 30 days after the date contributions reach \$10,000 \$35,000 or the number of contributors reaches 35, must be licensed with and report to the Office of Professional and Occupational Regulation the director as required by this Act;'

Amend the bill in section 21 in §5012 in the first paragraph in the 3rd line (page 10, line 32 in L.D.) by inserting after the following: "and" the following: 'physical'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

21 SUMMARY

This amendment does the following.

- 1. It removes the definition of "independent public accountant," which is a term no longer used in the Charitable Solicitations Act.
- 2. It adds to the definition of "principal officer" the executive director or other employee responsible for the daily operation of a charitable organization.
- 3. It specifies that a charitable organization must notify the Department of Professional and Financial Regulation, Office of Professional and Occupational Regulation only of any "material" change in the organization's application for initial or renewal licensure.
- 4. It adds to the basis for the exemption from licensure organizations that solicit primarily within their membership that do not contract with a professional solicitor or professional fund-raising counsel.
- 5. It further increases the threshold for licensure of charitable organizations to \$35,000 in contributions in a calendar year or contributions from more than 35 persons. The bill proposes to increase the threshold to \$25,000 in contributions in a calendar year or contributions from more than 25 persons.

1	6. It specifies that it is a violation of the Charitable Solicitations Act if a person of
2	entity does not disclose to a prospective donor at the time of solicitation the "physical
3	address of the charitable organization for which the solicitation is being conducted.
4	FISCAL NOTE REQUIRED
5	(See attached)