

HOUSE BILL No. 6633

November 12, 2008, Introduced by Rep. Tobocman and referred to the Committee on Commerce.

A bill to amend 1975 PA 169, entitled "Charitable organizations and solicitations act," by amending section 3 (MCL 400.273).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) ~~Before a solicitation, a~~ **UNLESS THE** charitable
2 organization ~~which is not an exempt organization and which is not~~
3 ~~described in~~ **THAT IS EXEMPT FROM LICENSING AND REPORTING UNDER**
4 section 13, ~~which~~ **A CHARITABLE ORGANIZATION THAT** solicits or
5 intends to solicit or receives or intends to receive contributions
6 from persons by any means ~~whatsoever,~~ shall file **AN APPLICATION FOR**
7 **A LICENSE UNDER THIS ACT** with the attorney general, ~~upon~~ **ON** forms
8 prescribed by him, ~~an application for a license~~ **OR HER**. It

9 (2) **AN APPLICATION FOR A LICENSE UNDER THIS ACT** shall include
10 the following information:

1 (a) The name of the organization and ~~the ANY name under which~~
2 ~~it intends~~ **IT USES OR INTENDS TO USE** to solicit contributions.

3 (b) The principal address of the organization and the address
4 of any office in this state. If the organization does not maintain
5 a principal office, the **ORGANIZATION SHALL INCLUDE THE** name and
6 address of the person ~~having~~ **THAT HAS** custody of its financial
7 records.

8 (c) The names and addresses of the officers, directors,
9 trustees, chief executive officer, and state agent **OF THE**
10 **ORGANIZATION.**

11 (d) Where and when the organization was legally established,
12 the form of its organization, and its tax exempt status.

13 (e) The purpose for which ~~it~~ **THE ORGANIZATION** is organized and
14 the purposes for which contributions to be solicited will be used.

15 (f) The fiscal year date of the organization.

16 (g) Whether the organization is or has ever been enjoined from
17 soliciting contributions.

18 (h) All methods by which solicitations will be made.

19 (i) Copies of contracts between charitable organizations and
20 professional fund raisers relating to financial compensation or
21 profit to be derived by the professional fund raisers. ~~When the~~ **IF**
22 **A contract DESCRIBED IN THIS SUBDIVISION** is executed after filing
23 of **THE** application, ~~statement,~~ **THE ORGANIZATION SHALL FILE** a copy
24 ~~shall be filed~~ **OF THE CONTRACT WITH THE ATTORNEY GENERAL** within 10
25 days of the date of execution.

26 **(J) FOR THE PURPOSE OF DETERMINING WHETHER A CHARITABLE**
27 **ORGANIZATION MEETS THE MONETARY THRESHOLDS DESCRIBED IN SUBDIVISION**

1 (K), THE AMOUNT OF CONTRIBUTIONS AND NET FUND-RAISING REVENUE IT
2 RECEIVED IN ITS IMMEDIATELY PRECEDING TAX YEAR, AS REPORTED ON THE
3 CHARITABLE ORGANIZATION'S INTERNAL REVENUE FORM 990, 990-EZ, OR
4 990-PF, EXCLUDING GOVERNMENT GRANTS AND CONTRIBUTIONS AND
5 RESTRICTED GRANTS FROM FOUNDATIONS.

6 (K) IF THE CHARITABLE ORGANIZATION RECEIVED CONTRIBUTIONS IN
7 ITS IMMEDIATELY PRECEDING TAX YEAR, AS REPORTED ON THE CHARITABLE
8 ORGANIZATION'S INTERNAL REVENUE SERVICE FORM 990, 990-EZ, OR 990-
9 PF, EXCLUDING GOVERNMENT GRANTS AND CONTRIBUTIONS AND RESTRICTED
10 GRANTS FROM FOUNDATIONS, IN THE AMOUNT OF \$500,000.00 OR MORE,
11 FINANCIAL STATEMENTS PREPARED ACCORDING TO GENERALLY ACCEPTED
12 ACCOUNTING PRINCIPLES THAT ARE AUDITED BY AN INDEPENDENT CERTIFIED
13 PUBLIC ACCOUNTANT. IF THE CHARITABLE ORGANIZATION RECEIVED
14 CONTRIBUTIONS IN ITS IMMEDIATELY PRECEDING TAX YEAR, AS REPORTED ON
15 THE CHARITABLE ORGANIZATION'S INTERNAL REVENUE SERVICE FORM 990,
16 990-EZ, OR 990-PF, EXCLUDING GOVERNMENT GRANTS AND CONTRIBUTIONS
17 AND RESTRICTED GRANTS FROM FOUNDATIONS, IN THE AMOUNT OF
18 \$250,000.00 OR MORE, BUT LESS THAN \$500,000.00, THE CHARITABLE
19 ORGANIZATION SHALL PROVIDE FINANCIAL STATEMENTS THAT ARE EITHER
20 REVIEWED OR AUDITED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT.
21 THE ATTORNEY GENERAL MAY WAIVE THIS REQUIREMENT 1 TIME FOR A
22 CHARITABLE ORGANIZATION.

23 (l) ~~(j)~~—Other information as required by rule.