

SENATE BILL No. 1518

September 18, 2008, Introduced by Senators JANSEN and GEORGE and referred to the Committee on Economic Development and Regulatory Reform.

A bill to amend 1975 PA 169, entitled
"Charitable organizations and solicitations act,"
by amending section 13 (MCL 400.283), as amended by 1992 PA 299.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 13. The licensing and financial statement requirements of
2 this act do not apply to any of the following:

3 (a) A person ~~who~~**THAT** requests a contribution for the relief
4 or benefit of an individual, specified by name at the time of the
5 solicitation, if the contributions collected are turned over to the
6 named beneficiary after deducting reasonable expenses for costs of
7 solicitation, if any, and if all fund-raising functions are carried
8 on by persons who are unpaid, directly or indirectly, for their

1 services.

2 (b) A ~~person who~~ **CHARITABLE ORGANIZATION THAT** does not intend
3 to solicit and receive and does not actually receive contributions
4 ~~in excess of \$8,000.00 during any 12 month period if all of its~~
5 ~~fund-raising functions are carried on by persons who are unpaid for~~
6 ~~their services and if the organization makes available to its~~
7 ~~members and the public a financial statement of its activities for~~
8 ~~the most recent fiscal year. If the gross contributions received~~
9 ~~during any 12 month period exceed \$8,000.00, the person shall file~~
10 ~~an application for license with required supporting information as~~
11 ~~provided in section 3 within 30 days after the date it has received~~
12 ~~total contributions in excess of \$8,000.00~~ **OF MORE THAN \$25,000.00**
13 **IN ITS CURRENT FISCAL YEAR IF ALL OF THE CHARITABLE ORGANIZATION'S**
14 **FUND-RAISING FUNCTIONS ARE CARRIED ON BY PERSONS WHO ARE NOT PAID**
15 **FOR THEIR SERVICES. HOWEVER, IF A CHARITABLE ORGANIZATION OTHERWISE**
16 **EXEMPT UNDER THIS SUBDIVISION RECEIVES ACTUAL TOTAL CONTRIBUTIONS**
17 **IN THAT FISCAL YEAR OF MORE THAN \$25,000.00, THE CHARITABLE**
18 **ORGANIZATION MUST OBTAIN A LICENSE UNDER THIS ACT WITHIN 30 DAYS**
19 **AFTER THE DATE ITS TOTAL CONTRIBUTIONS IN THAT FISCAL YEAR FIRST**
20 **EXCEED \$25,000.00.**

21 (c) ~~An~~ **A CHARITABLE** organization that does not invite the
22 general public to become a member of the organization and confines
23 solicitation activities to solicitation drives solely among its
24 members, ~~and the members'~~ **DIRECTORS, TRUSTEES, OR THEIR** immediate
25 families. ~~, if the drives are not held more frequently than~~
26 ~~quarterly.~~ **"Immediate family" FOR PURPOSES OF THIS SUBDIVISION**
27 means the grandparents, parents, spouse, brothers, sisters,

1 children, and grandchildren **OF A MEMBER, DIRECTOR, OR TRUSTEE.**

2 (d) An educational institution certified by the state board of
3 education.

4 (e) A veterans' organization incorporated under federal law.

5 (f) An organization that receives funds from a charitable
6 organization licensed under this act that does not solicit or
7 intend to solicit or receive or intend to receive contributions
8 from persons other than ~~a~~**THE** charitable organization, if the
9 organization makes available to its members and the public a
10 financial statement of its activities for ~~the~~**ITS** most recent
11 fiscal year.

12 (g) A licensed hospital, hospital based foundation, ~~and~~**OR**
13 hospital auxiliary that ~~solicit funds~~**SOLICITS MONEY** solely for 1
14 or more licensed hospitals.

15 (h) A nonprofit service organization that is exempt from
16 taxation pursuant to a provision of the United States internal
17 revenue code other than section 501(c)(3), whose principal purpose
18 is not charitable, but **THAT** solicits **MONEY** from time to time ~~funds~~
19 for a charitable purpose ~~by~~**USING** members of the organization who
20 are not paid for the solicitation. ~~The funds shall be wholly used~~**A**
21 **NONPROFIT SERVICE ORGANIZATION MUST USE ALL MONEY IT SOLICITS UNDER**
22 **THIS SUBDIVISION** for the charitable purposes for which ~~they were~~**IT**
23 **WAS** solicited, and the organization shall file with the attorney
24 general a federal form 990 or 990 AR.

25 (i) A nonprofit corporation whose stock is wholly owned by a
26 religious or fraternal society that owns and operates facilities
27 for the aged and chronically ill ~~in which no part~~**AND DOES NOT USE**

1 **ANY PART** of the net income from the operation of the corporation
2 ~~inures to~~ **FOR** the benefit of a ~~a~~ **ANY** person other than the residents
3 **OF THE FACILITIES.**

4 (j) ~~Charitable organizations~~ **A CHARITABLE ORGANIZATION**
5 licensed by the department of ~~social~~ **HUMAN** services that ~~serve~~
6 **SERVES** children and families.

7 (k) A person registered under and complying with the
8 requirements of the public safety solicitation act, **1992 PA 298,**
9 **MCL 14.301 TO 14.327.**