

CHARITABLE ORGANIZATIONS AND SOLICITATIONS ACT (EXCERPT)
Act 169 of 1975

400.288 Prohibited conduct; publishing names of contributors; identification.

Sec. 18.

(1) A person subject to this act, or an employee or agent of a person subject to this act, shall not do any of the following:

(a) Engage in a method, act, or practice in violation of this act or a rule promulgated under this act; any restriction, condition, or limitation placed on a registration or license; or any order issued under this act.

(b) Represent or imply that a person soliciting contributions or other funds for a charitable organization has a sponsorship, approval, status, affiliation, or other connection with a charitable organization or charitable purpose that the person does not have.

(c) Represent or imply that a contribution is for or on behalf of a charitable organization, or using an emblem, device, or printed material belonging to or associated with a charitable organization, without first obtaining written authorization from that charitable organization.

(d) Use a name, symbol, or statement so closely related or similar to a name, symbol, or statement used by another charitable organization or governmental agency that use of that name, symbol, or statement would tend to confuse or mislead a solicited person.

(e) Use a fictitious or false name, address, or telephone number in any solicitation.

(f) Make a misrepresentation to a person by any manner that would lead that person to believe that another person, on whose behalf a solicitation effort is conducted, is a charitable organization or that all or any part of the proceeds of a solicitation effort are for charitable purposes.

(g) Make a misrepresentation to a person by any manner that would lead that person to believe that another person sponsors, endorses, or approves a solicitation effort if that other person has not given written consent to the use of his or her name for that purpose.

(h) Make a misrepresentation to a person by any manner that would lead that person to believe that registration or licensure under this act constitutes endorsement or approval by a department or agency of any state or the federal government.

(i) Represent or imply that the amount or percentage of a contribution that a charitable organization will receive for a charitable program after costs of solicitation are paid is greater than the amount or percentage of a contribution the charitable organization will actually receive.

(j) Divert or misdirect contributions to a purpose or organization other than that for which the funds were contributed or solicited.

(k) Falsely represent or imply that a donor will receive special benefits or treatment or that failure to make a contribution will result in unfavorable treatment.

(l) Make a misrepresentation to a person by any manner that would lead that person to believe that a contribution is eligible for tax advantages unless that contribution qualifies for those tax advantages and all disclosures required by law are made.

(m) Falsely represent or imply that a person being solicited, or a family member or associate of a person being solicited, has previously made or agreed to make a contribution.

(n) Employ any device, scheme, or artifice to defraud or obtain money or property from a person by means of a false, deceptive, or misleading pretense, representation, or promise.

(o) Represent that funds solicited will be used for a particular charitable purpose if those funds are not used for the represented purpose.

(p) Solicit contributions, conduct a charitable sales promotion, or otherwise operate in this state as a charitable organization, professional fund raiser, or professional solicitor, except in compliance with this act.

(q) Aid, abet, or otherwise permit a person to solicit contributions or conduct a charitable sales promotion in this state unless the person soliciting contributions or conducting the charitable sales promotion complies with this act.

(r) Fail to file any information or reports required under this act.

(s) Fail to comply with a person's request to remove, or not to share, the person's personal information, including, but not limited to, the person's name, address, telephone number, or financial account information, from any list utilized by a charitable organization or professional fund raiser for solicitation purposes; or selling, leasing, licensing, sharing, or otherwise allowing any third-party access to any of the person's personal information, except as specifically required by law or court order.

(t) Solicit or receive a contribution or conduct a charitable sales promotion for, or sell memberships in, a charitable organization subject to this act if that charitable organization is not registered under this act.

(u) Submit any of the following to the attorney general:

(i) A document or statement that purports to be signed, certified, attested to, approved by, or endorsed by a

person if that signature, certification, attestation, approval, or endorsement is not genuine or was not given by that person.

(ii) A document containing any materially false statement.

(v) Violate the terms of an assurance of discontinuance or similar agreement accepted by the attorney general and filed with the court under this act.

(w) For a charitable organization, fail to verify that all professional fund raisers with which the organization has contracted for fund-raising services are currently licensed under this act.

(x) For a professional fund raiser, fail to provide verification of current licensing status and inform any charitable organization with which it has contracted for fund-raising services of any changes affecting its licensing or bonding, in writing, within 14 days of the change.

(y) For a charitable organization, submit financial statements, including IRS form 990, 990-EZ, 990-PF, or other 990- series internal revenue service return, or any other financial report required under this act, that contain any misrepresentation with respect to the organization's activities, operations, or use of charitable assets.

(z) Wear a law enforcement or public safety uniform or clothing similar to a law enforcement or public safety uniform when making a face-to-face solicitation or collection of contributions.

(2) This section does not prevent the publication of names of contributors without their written consent in an annual or other periodic report issued by a charitable organization for the purpose of reporting on its operations and affairs to its membership or for the purpose of reporting contributions to contributors.

(3) A charitable organization, whether or not exempt from this act, shall supply to each solicitor and each solicitor shall have in his or her immediate possession identification that sets forth the name of the solicitor and the name of the charitable organization on whose behalf the solicitation is conducted.

History: 1975, Act 169, Imd. Eff. July 20, 1975 ;-- Am. 2010, Act 377, Eff. Mar. 30, 2011