

# SENATE BILL No. 1528

September 29, 2010, Introduced by Senators JANSEN, HUNTER, BASHAM, VAN WOERKOM, RICHARDVILLE, BIRKHOZ, PAPPAGEORGE and KUIPERS and referred to the Committee on Families and Human Services.

A bill to amend 1975 PA 169, entitled "Charitable organizations and solicitations act," by amending the title and sections 3, 5, 7, 11, 13, 16, 18, 20, 21, and 23 (MCL 400.273, 400.275, 400.277, 400.281, 400.283, 400.286, 400.288, 400.290, 400.291, and 400.293), section 3 as amended by 2008 PA 424 and section 13 as amended by 1992 PA 299, and by adding sections 17a, 23a, and 23b; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

TITLE

An act to regulate **CHARITABLE** organizations, and ~~PROFESSIONAL~~ **FUND RAISERS AND OTHER** persons soliciting or collecting contributions ~~for charitable purposes; to require registration,~~

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~~disclosure of information and licensing before solicitation of~~ ON  
 BEHALF OF CHARITABLE ORGANIZATIONS, AND CERTAIN OTHER PERSONS  
 INVOLVED IN THE SOLICITATION OF CONTRIBUTIONS TO CHARITABLE  
 ORGANIZATIONS; TO REQUIRE CERTAIN CHARITABLE ORGANIZATIONS AND  
 CERTAIN PROFESSIONAL SOLICITORS TO REGISTER AND DISCLOSE CERTAIN  
 INFORMATION BEFORE SOLICITING CONTRIBUTIONS; TO REQUIRE CERTAIN  
 PROFESSIONAL FUND RAISERS TO OBTAIN A LICENSE AND DISCLOSE CERTAIN  
 INFORMATION BEFORE SOLICITING contributions; to provide for  
 reporting of financial and other information by those licensed or  
 registered and those claiming exemption FROM LICENSING OR  
 REGISTRATION; to prescribe standards of conduct and administration  
~~and to prohibit certain actions~~ IN CONNECTION WITH CHARITABLE  
 SOLICITATIONS; to provide for enforcement, investigation, and  
~~promulgation of rules by~~ POWERS AND DUTIES OF the attorney general  
 AND COUNTY PROSECUTING ATTORNEYS; to preempt local regulation; to  
 provide REMEDIES AND penalties for violations; and to repeal  
~~certain acts and parts of acts.~~

Sec. 3. (1) Unless the charitable organization is ~~an exempt~~  
~~organization that is exempt from licensing~~ REGISTRATION and  
 reporting under section 13, a charitable organization that solicits  
 or intends to solicit or receives or intends to receive  
 contributions from persons by any means shall ~~file an application~~  
~~for a license under this act~~ REGISTER with the attorney general ~~on~~  
~~forms prescribed by him or her~~ AS PROVIDED IN THIS ACT.

(2) ~~An application for a license under this act shall include~~  
~~the following information~~ TO REGISTER UNDER THIS ACT, A CHARITABLE  
 ORGANIZATION SHALL SUBMIT A REGISTRATION STATEMENT TO THE ATTORNEY

1 GENERAL. THE ATTORNEY GENERAL SHALL PRESCRIBE THE FORM OF A  
2 REGISTRATION STATEMENT. TO REGISTER, A CHARITABLE ORGANIZATION MUST  
3 INCLUDE ALL OF THE FOLLOWING INFORMATION ABOUT THE CHARITABLE  
4 ORGANIZATION IN THE REGISTRATION FORM:

5 (a) The name of the organization and any name it uses or  
6 intends to use to solicit contributions.

7 (b) The principal address of the organization and the address  
8 of ~~any~~ **EACH** office in this state. If the organization does not  
9 maintain a principal office, the organization shall include the  
10 name and address of the person that has custody of its financial  
11 records **IN THE REGISTRATION STATEMENT**.

12 (c) The names and addresses of the officers, directors,  
13 trustees, chief executive officer, and state agent of the  
14 organization.

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

17 (e) The purpose for which the organization is organized and  
18 the purposes for which contributions to be solicited will be used.

19 (f) The fiscal year ~~date~~ of the organization.

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

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

23 (i) Copies of contracts between ~~charitable organizations~~ **THE**  
24 **ORGANIZATION** and **ANY** professional fund raisers relating to  
25 financial compensation or profit to be derived by the professional  
26 fund raisers. If a contract described in this subdivision is  
27 executed after filing of the ~~application~~ **REGISTRATION STATEMENT**,

1 the organization shall file a copy of the contract with the  
2 attorney general within 10 days of ~~of~~ **AFTER** the date of execution.

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

4 (J) ~~(3)~~—If a ~~a~~ **THE** charitable organization received  
5 contributions in its immediately preceding tax year, as reported on  
6 the charitable organization's internal revenue service form 990,  
7 990-EZ, 990-PF, or other 990-series return, in the amount of  
8 \$500,000.00 or more, ~~the charitable organization shall include~~  
9 financial statements ~~with its application for license under this~~  
10 ~~section,~~ prepared according to generally accepted accounting  
11 principles and audited by an independent certified public  
12 accountant. If a ~~a~~ **THE** charitable organization received contributions  
13 in its immediately preceding tax year, as reported on the  
14 charitable organization's internal revenue service form 990, 990-  
15 EZ, 990-PF, or other 990-series return, in the amount of  
16 \$250,000.00 or more, but less than \$500,000.00, the charitable  
17 organization shall include financial statements ~~with its~~  
18 ~~application for license under this section~~ that are either reviewed  
19 or audited by an independent certified public accountant. The  
20 attorney general may waive this requirement 1 time for a charitable  
21 organization.

22 (K) **ANY OTHER INFORMATION THE ATTORNEY GENERAL REQUIRES BY**  
23 **RULE.**

24 (3) ~~(4)~~—Both of the following apply for purposes of subsection  
25 ~~(3)~~ **(2) (J)** :

26 (a) For ~~license applications~~ **REGISTRATION STATEMENTS** submitted  
27 under this section on or after January 1, 2015 and before January

1 1, 2020, the dollar amounts of contributions in subsection ~~(3)~~  
 2 (2) (J) at which reviewed financial statements and at which audited  
 3 financial statements are required with the ~~application~~ **REGISTRATION**  
 4 **STATEMENT** are increased by \$25,000.00. Those dollar amounts are  
 5 increased by an additional \$25,000.00 for every subsequent 5-year  
 6 period, beginning on January 1, 2020.

7 (b) "Contributions" means all contributions and support  
 8 reported on a charitable organization's form 990, 990-EZ, 990-PF,  
 9 or other 990-series return. The term includes special fund-raising  
 10 event receipts, net of direct expenses, but does not include  
 11 contributions or grants received from governmental agencies.

12 Sec. 5. (1) ~~An application~~ **THE ATTORNEY GENERAL SHALL EXAMINE**  
 13 **THE REGISTRATION STATEMENT OF A CHARITABLE ORGANIZATION THAT IS**  
 14 **SUBMITTED** in proper form and **IS** supported by material information  
 15 required ~~shall be examined by the attorney general~~ **UNDER THIS ACT.**  
 16 If the ~~application~~ **REGISTRATION STATEMENT** and supporting material  
 17 **INFORMATION** conforms to the requirements of this act and ~~the~~ **ANY**  
 18 rules **PROMULGATED UNDER THIS ACT**, the attorney general shall issue  
 19 ~~a license to the charitable organization within 30 days, except~~  
 20 ~~where~~ **REGISTER THE CHARITABLE ORGANIZATION, UNLESS** the organization  
 21 has materially misrepresented or omitted information required or  
 22 the organization has acted or is acting in violation of this act or  
 23 rules promulgated hereunder. **IF REGISTERED, THE EFFECTIVE DATE OF**  
 24 **THE REGISTRATION IS THE DATE THE REGISTRATION STATEMENT WAS**  
 25 **RECEIVED BY THE ATTORNEY GENERAL.**

26 (2) ~~The license~~ **REGISTRATION OF A CHARITABLE ORGANIZATION**  
 27 shall be without charge and ~~issued~~ to the charitable organization 7

1 OR its agents and representatives ~~for~~ **IF** the purpose of  
2 **REGISTRATION IS** soliciting and receiving contributions and  
3 donations or ~~to sell~~ **SELLING** memberships or otherwise ~~raise moneys~~  
4 **RAISING MONEY** from the public for the specified charitable purpose.

5 ~~—— (3) A license issued to a professional fund raiser,~~  
6 ~~professional solicitor, or a charitable organization, its agents~~  
7 ~~and representatives may be suspended or revoked by the attorney~~  
8 ~~general for violation of this act or rules promulgated hereunder,~~  
9 ~~after reasonable notice and opportunity to be heard. The attorney~~  
10 ~~general may suspend on an emergency basis, without hearing, any~~  
11 ~~license issued to a professional fund raiser, professional~~  
12 ~~solicitor, or a charitable organization when the attorney general~~  
13 ~~specifies in the notice of emergency suspension the reasons and~~  
14 ~~grounds indicating a violation of this act or any rule which~~  
15 ~~constitutes the emergency. The notice shall set forth that within~~  
16 ~~48 hours, at a designated time and place, a hearing shall be held~~  
17 ~~on whether the license should be permanently suspended or revoked.~~  
18 ~~The professional fund raiser, professional solicitor, or charitable~~  
19 ~~organization may show compliance with the requirements of this act~~  
20 ~~or the rules and shall have the burden of adducing the evidence.~~

21 Sec. 7. The license **REGISTRATION** of a charitable organization  
22 shall expire 1 year after the ~~ITS EFFECTIVE~~ date of issuance ~~UNDER~~  
23 **SECTION 5(2)**. ~~A TO RENEW A REGISTRATION, A~~ charitable organization  
24 desiring renewal of a license shall file with the attorney general  
25 a renewal application **REGISTRATION STATEMENT** and supporting  
26 information on or before 30 days ~~prior to~~ **BEFORE** the expiration  
27 date **OF THE CURRENT REGISTRATION**.

1           Sec. 11. (1) ~~An application for a license shall not be~~  
2 ~~accepted~~ **THE ATTORNEY GENERAL SHALL NOT ACCEPT A REGISTRATION**  
3 **STATEMENT** from a charitable organization located in another state  
4 or country unless it first designates a resident agent in this  
5 state for the acceptance of process issued by any court.

6           (2) A charitable organization, ~~person,~~ professional fund  
7 raiser, ~~or~~ professional solicitor, **OR OTHER PERSON** soliciting  
8 contributions in this state but not ~~maintaining~~ **HAVING** an office  
9 ~~within the~~ **IN THIS** state ~~shall be~~ **IS** subject to service of process  
10 as follows:

11           (a) By service on its registered agent ~~within the~~ **IN THIS**  
12 state, or if there is no registered agent **IN THIS STATE**, then ~~upon~~  
13 **ON** the person ~~who has been~~ designated in the ~~application~~  
14 **REGISTRATION** statement, **LICENSE APPLICATION, OR REGISTRATION**  
15 **APPLICATION** as having custody of **ITS** books and records within this  
16 state. ~~When service is effected upon the~~ **IF A** person designated in  
17 ~~the~~ **A** registration statement, **LICENSE APPLICATION, OR REGISTRATION**  
18 **APPLICATION IS SERVED UNDER THIS SUBDIVISION**, a copy of the process  
19 shall be mailed to the ~~charitable organization~~ **PERSON** at its last  
20 known address.

21           (b) ~~When a charitable organization~~ **BY SERVICE MADE AS**  
22 **OTHERWISE PROVIDED BY LAW OR COURT RULES IF ANY OF THE FOLLOWING**  
23 **APPLY:**

24           (i) **IF THE PERSON** has solicited contributions in this state,  
25 but **IN THIS STATE** does not maintain an office, ~~within the state,~~  
26 ~~have~~ **HAS** a registered agent, ~~within this state and have~~ **HAS** a  
27 designated person ~~having~~ **THAT HAS** custody of its books and records.

1 ~~within the state, or when~~

2       (ii) IF a registered agent or person ~~having~~ **THAT HAS** custody of  
3 ~~its~~ **THE PERSON'S** books and records ~~within the~~ **IN THIS** state cannot  
4 be found, as shown by the return of the sheriff of the county in  
5 which the registered agent or person ~~having~~ **THAT HAS** custody of  
6 books and records has been represented by the charitable  
7 organization as maintaining an office. ~~, service may be made as~~  
8 ~~otherwise provided by law or court rules.~~

9       (3) Solicitation of a contribution ~~within~~ **IN** this state, by  
10 any means, is **CONSIDERED** the agreement of the charitable  
11 organization, ~~person,~~ professional fund raiser, ~~or~~ professional  
12 solicitor, **OR OTHER PERSON** that any process against it ~~or him~~ which  
13 **THAT PERSON THAT** is served in accordance with this section is of  
14 the same legal force and effect as if served personally.

15       Sec. 13. ~~The licensing and financial statement~~ **A CHARITABLE**  
16 **ORGANIZATION'S REGISTRATION AND REPORTING** requirements ~~of~~ **UNDER**  
17 this act do not apply to any of the following:

18       (a) A person ~~who~~ **THAT** requests a contribution for the relief  
19 or benefit of an individual, specified by name at the time of the  
20 solicitation, if the contributions collected are turned over to the  
21 named beneficiary after deducting reasonable expenses for costs of  
22 solicitation, if any, and if all fund-raising functions are carried  
23 on by persons ~~who~~ **THAT** are unpaid, directly or indirectly, for  
24 their services.

25       (b) A ~~person who~~ **CHARITABLE ORGANIZATION THAT** does not intend  
26 to solicit and receive and does not actually receive contributions  
27 ~~in excess of \$8,000.00~~ **OF MORE THAN \$25,000.00** during any 12-month



1 period if all of its fund-raising functions are carried on by  
 2 persons ~~who~~ **THAT** are unpaid for their services and if the  
 3 organization makes available to its members and the public a  
 4 financial statement of its activities for ~~the~~ **ITS** most recent  
 5 fiscal year. If the gross contributions received during any 12-  
 6 month period exceed ~~\$8,000.00~~ **\$25,000.00**, the person shall ~~file an~~  
 7 ~~application for license with required supporting information as~~  
 8 ~~provided in section 3~~ **REGISTER UNDER THIS ACT** within 30 days after  
 9 the date ~~it has received~~ **ITS** total contributions in excess of  
 10 ~~\$8,000.00~~ **THAT FISCAL YEAR EXCEED \$25,000.00.**

11 (c) ~~An~~ **A CHARITABLE** organization that does not invite the  
 12 general public to become a member of the organization and confines  
 13 solicitation activities to solicitation drives solely among its  
 14 members, ~~and the members'~~ **DIRECTORS, TRUSTEES, OR THEIR** immediate  
 15 families. ~~, if the drives are not held more frequently than~~  
 16 ~~quarterly.~~ **"Immediate AS USED IN THIS SUBDIVISION, "IMMEDIATE**  
 17 **family"** means the grandparents, parents, spouse, brothers, sisters,  
 18 children, and grandchildren **OF A MEMBER, DIRECTOR, OR TRUSTEE.**

19 (d) An educational institution certified by the state board of  
 20 education.

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

22 (f) An organization that receives funds from a charitable  
 23 organization ~~licensed~~ **REGISTERED** under this act that does not  
 24 solicit or intend to solicit or receive or intend to receive  
 25 contributions from persons other than ~~a~~ **THE REGISTERED** charitable  
 26 organization, if the organization makes available to its members  
 27 and the public a financial statement of its activities for ~~the~~ **ITS**

1 most recent fiscal year.

2 (g) A licensed hospital, hospital-based foundation, ~~and OR~~  
3 hospital auxiliary that ~~solicit~~ **SOLICITS** funds solely for 1 or more  
4 licensed hospitals.

5 (h) A nonprofit service organization that is exempt from  
6 taxation ~~pursuant to~~ **UNDER** a provision of the ~~United States~~  
7 internal revenue code other than section 501(c)(3), **26 USC**  
8 **501(C)(3)**, whose principal purpose is not charitable, but **THAT**  
9 solicits from time to time funds for a charitable purpose by  
10 members of the organization ~~who~~ **THAT** are not paid for the  
11 solicitation. ~~The funds shall~~ **FUNDS SOLICITED UNDER THIS**  
12 **SUBDIVISION MAY** be wholly used for the charitable purposes for  
13 which they were solicited, and the organization ~~shall~~ **MUST** file  
14 with the attorney general a federal form 990 or 990 AR.

15 (i) A nonprofit corporation, ~~whose~~ **IF ITS** stock is wholly  
16 owned by a religious or fraternal society that owns and operates  
17 facilities for the aged and chronically ill ~~in which~~ **AND** no part of  
18 ~~the~~ **ITS** net income from the operation of the ~~corporation~~ **FACILITY**  
19 inures to the benefit of a person other than the residents.

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

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

26 Sec. 16. The attorney general may ~~continue under~~ **IMPOSE**  
27 conditions **ON** the ~~license of an organization, professional fund~~

1 ~~raiser, or professional solicitor which~~ REGISTRATION OF A  
2 CHARITABLE ORGANIZATION THAT fails to comply with this act  
3 ~~including failure to comply with the rules regarding prohibited~~  
4 ~~transactions, standards of solicitation, conduct, or administration~~  
5 OR RULES PROMULGATED UNDER THIS ACT.

6 SEC. 17A. (1) AFTER NOTICE AND AN OPPORTUNITY TO BE HEARD, THE  
7 ATTORNEY GENERAL MAY SUSPEND OR REVOKE THE LICENSE OF A  
8 PROFESSIONAL FUND RAISER OR THE REGISTRATION OF A PROFESSIONAL  
9 SOLICITOR THAT HAS VIOLATED OR IS VIOLATING THIS ACT OR RULES  
10 PROMULGATED UNDER THIS ACT.

11 (2) THE ATTORNEY GENERAL MAY SUSPEND THE LICENSE OF A  
12 PROFESSIONAL FUND RAISER OR THE REGISTRATION OF A PROFESSIONAL  
13 SOLICITOR, ON AN EMERGENCY BASIS WITHOUT A HEARING, IF THE ATTORNEY  
14 GENERAL ISSUES A NOTICE OF EMERGENCY SUSPENSION CONTAINING BOTH OF  
15 THE FOLLOWING:

16 (A) A DESCRIPTION OF THE CONDUCT IN VIOLATION OF THIS ACT OR A  
17 RULE PROMULGATED UNDER THIS ACT THAT CONSTITUTES THE EMERGENCY.

18 (B) A STATEMENT THAT THE PROFESSIONAL FUND RAISER OR  
19 PROFESSIONAL SOLICITOR HAS AN OPPORTUNITY FOR A HEARING AT A  
20 DESIGNATED TIME, DATE, AND PLACE, WITHIN 48 HOURS AFTER THE NOTICE  
21 OF EMERGENCY SUSPENSION IS ISSUED, OR AT A LATER TIME AGREED TO IN  
22 WRITING BY THE ATTORNEY GENERAL AND THE PROFESSIONAL FUND RAISER OR  
23 PROFESSIONAL SOLICITOR, ON WHETHER THE LICENSE OR REGISTRATION  
24 SHOULD BE PERMANENTLY SUSPENDED OR REVOKED. AT A HEARING HELD UNDER  
25 THIS SUBDIVISION, THE PROFESSIONAL FUND RAISER OR PROFESSIONAL  
26 SOLICITOR SHALL HAVE A REASONABLE OPPORTUNITY TO SHOW ITS  
27 COMPLIANCE WITH THIS ACT OR THE RULES PROMULGATED UNDER THIS ACT

1 AND HAS THE BURDEN OF PROOF OF ESTABLISHING THAT COMPLIANCE.

2 (3) IN ADDITION TO HIS OR HER AUTHORITY TO SUSPEND OR REVOKE A  
3 LICENSE OR REGISTRATION UNDER THIS SECTION, THE ATTORNEY GENERAL  
4 MAY IMPOSE CONDITIONS ON THE LICENSE OF A PROFESSIONAL FUND RAISER  
5 OR THE REGISTRATION OF A PROFESSIONAL SOLICITOR THAT FAILS TO  
6 COMPLY WITH THIS ACT OR RULES PROMULGATED UNDER THIS ACT.

7 Sec. 18. (1) ~~A person shall not use for the purpose of~~  
8 ~~soliciting contributions the name of another person, except that of~~  
9 ~~an officer, director, or trustee of the charitable organization by~~  
10 ~~or for which contributions are solicited, without the consent of~~  
11 ~~such other person.~~ A PERSON SUBJECT TO THIS ACT, OR AN EMPLOYEE OR  
12 AGENT OF A PERSON SUBJECT TO THIS ACT, SHALL NOT DO ANY OF THE  
13 FOLLOWING:

14 (A) ENGAGE IN A METHOD, ACT, OR PRACTICE IN VIOLATION OF THIS  
15 ACT OR A RULE PROMULGATED UNDER THIS ACT; ANY RESTRICTION,  
16 CONDITION, OR LIMITATION PLACED ON A REGISTRATION OR LICENSE; OR  
17 ANY ORDER ISSUED UNDER THIS ACT.

18 (B) REPRESENT OR IMPLY THAT A PERSON SOLICITING CONTRIBUTIONS  
19 OR OTHER FUNDS FOR A CHARITABLE ORGANIZATION HAS A SPONSORSHIP,  
20 APPROVAL, STATUS, AFFILIATION, OR OTHER CONNECTION WITH A  
21 CHARITABLE ORGANIZATION OR CHARITABLE PURPOSE THAT THE PERSON DOES  
22 NOT HAVE.

23 (C) REPRESENT OR IMPLY THAT A CONTRIBUTION IS FOR OR ON BEHALF  
24 OF A CHARITABLE ORGANIZATION, OR USING AN EMBLEM, DEVICE, OR  
25 PRINTED MATERIAL BELONGING TO OR ASSOCIATED WITH A CHARITABLE  
26 ORGANIZATION, WITHOUT FIRST OBTAINING WRITTEN AUTHORIZATION FROM  
27 THAT CHARITABLE ORGANIZATION.

1 (D) USE A NAME, SYMBOL, OR STATEMENT SO CLOSELY RELATED OR  
2 SIMILAR TO A NAME, SYMBOL, OR STATEMENT USED BY ANOTHER CHARITABLE  
3 ORGANIZATION OR GOVERNMENTAL AGENCY THAT USE OF THAT NAME, SYMBOL,  
4 OR STATEMENT WOULD TEND TO CONFUSE OR MISLEAD A SOLICITED PERSON.

5 (E) USE A FICTITIOUS OR FALSE NAME, ADDRESS, OR TELEPHONE  
6 NUMBER IN ANY SOLICITATION.

7 (F) MAKE A MISREPRESENTATION TO A PERSON BY ANY MANNER THAT  
8 WOULD LEAD THAT PERSON TO BELIEVE THAT ANOTHER PERSON, ON WHOSE  
9 BEHALF A SOLICITATION EFFORT IS CONDUCTED, IS A CHARITABLE  
10 ORGANIZATION OR THAT ALL OR ANY PART OF THE PROCEEDS OF A  
11 SOLICITATION EFFORT ARE FOR CHARITABLE PURPOSES.

12 (G) MAKE A MISREPRESENTATION TO A PERSON BY ANY MANNER THAT  
13 WOULD LEAD THAT PERSON TO BELIEVE THAT ANOTHER PERSON SPONSORS,  
14 ENDORSES, OR APPROVES A SOLICITATION EFFORT IF THAT OTHER PERSON  
15 HAS NOT GIVEN WRITTEN CONSENT TO THE USE OF HIS OR HER NAME FOR  
16 THAT PURPOSE.

17 (H) MAKE A MISREPRESENTATION TO A PERSON BY ANY MANNER THAT  
18 WOULD LEAD THAT PERSON TO BELIEVE THAT REGISTRATION OR LICENSURE  
19 UNDER THIS ACT CONSTITUTES ENDORSEMENT OR APPROVAL BY A DEPARTMENT  
20 OR AGENCY OF ANY STATE OR THE FEDERAL GOVERNMENT.

21 (I) REPRESENT OR IMPLY THAT THE AMOUNT OR PERCENTAGE OF A  
22 CONTRIBUTION THAT A CHARITABLE ORGANIZATION WILL RECEIVE FOR A  
23 CHARITABLE PROGRAM AFTER COSTS OF SOLICITATION ARE PAID IS GREATER  
24 THAN THE AMOUNT OR PERCENTAGE OF A CONTRIBUTION THE CHARITABLE  
25 ORGANIZATION WILL ACTUALLY RECEIVE.

26 (J) DIVERT OR MISDIRECT CONTRIBUTIONS TO A PURPOSE OR  
27 ORGANIZATION OTHER THAN THAT FOR WHICH THE FUNDS WERE CONTRIBUTED

1 OR SOLICITED.

2 (K) FALSELY REPRESENT OR IMPLY THAT A DONOR WILL RECEIVE  
3 SPECIAL BENEFITS OR TREATMENT OR THAT FAILURE TO MAKE A  
4 CONTRIBUTION WILL RESULT IN UNFAVORABLE TREATMENT.

5 (L) MAKE A MISREPRESENTATION TO A PERSON BY ANY MANNER THAT  
6 WOULD LEAD THAT PERSON TO BELIEVE THAT A CONTRIBUTION IS ELIGIBLE  
7 FOR TAX ADVANTAGES UNLESS THAT CONTRIBUTION QUALIFIES FOR THOSE TAX  
8 ADVANTAGES AND ALL DISCLOSURES REQUIRED BY LAW ARE MADE.

9 (M) FALSELY REPRESENT OR IMPLY THAT A PERSON BEING SOLICITED,  
10 OR A FAMILY MEMBER OR ASSOCIATE OF A PERSON BEING SOLICITED, HAS  
11 PREVIOUSLY MADE OR AGREED TO MAKE A CONTRIBUTION.

12 (N) EMPLOY ANY DEVICE, SCHEME, OR ARTIFICE TO DEFRAUD OR  
13 OBTAIN MONEY OR PROPERTY FROM A PERSON BY MEANS OF A FALSE,  
14 DECEPTIVE, OR MISLEADING PRETENSE, REPRESENTATION, OR PROMISE.

15 (O) REPRESENT THAT FUNDS SOLICITED WILL BE USED FOR A  
16 PARTICULAR CHARITABLE PURPOSE IF THOSE FUNDS ARE NOT USED FOR THE  
17 REPRESENTED PURPOSE.

18 (P) SOLICIT CONTRIBUTIONS, CONDUCT A SALES PROMOTION, OR  
19 OTHERWISE OPERATE IN THIS STATE AS A CHARITABLE ORGANIZATION  
20 PROFESSIONAL FUND RAISER, OR PROFESSIONAL SOLICITOR, EXCEPT IN  
21 COMPLIANCE WITH THIS ACT.

22 (Q) AID, ABET, OR OTHERWISE PERMIT A PERSON TO SOLICIT  
23 CONTRIBUTIONS OR CONDUCT A SALES PROMOTION IN THIS STATE UNLESS THE  
24 PERSON SOLICITING CONTRIBUTIONS OR CONDUCTING THE SALES PROMOTION  
25 COMPLIES WITH THIS ACT.

26 (R) FAIL TO FILE ANY INFORMATION OR REPORTS REQUIRED UNDER  
27 THIS ACT.

1 (S) FAIL TO COMPLY WITH A PERSON'S REQUEST TO REMOVE, OR NOT  
2 TO SHARE, THE PERSON'S PERSONAL INFORMATION, INCLUDING, BUT NOT  
3 LIMITED TO, THE PERSON'S NAME, ADDRESS, TELEPHONE NUMBER, OR  
4 FINANCIAL ACCOUNT INFORMATION, FROM ANY LIST UTILIZED BY A  
5 CHARITABLE ORGANIZATION OR PROFESSIONAL FUND RAISER FOR  
6 SOLICITATION PURPOSES; OR SELLING, LEASING, LICENSING, SHARING, OR  
7 OTHERWISE ALLOWING ANY THIRD-PARTY ACCESS TO ANY OF THE PERSON'S  
8 PERSONAL INFORMATION, EXCEPT AS SPECIFICALLY REQUIRED BY LAW OR  
9 COURT ORDER.

10 (T) SOLICIT OR RECEIVE A CONTRIBUTION OR CONDUCT A CHARITABLE  
11 SALES PROMOTION FOR, OR SELL MEMBERSHIPS IN, A CHARITABLE  
12 ORGANIZATION SUBJECT TO THIS ACT IF THAT CHARITABLE ORGANIZATION IS  
13 NOT REGISTERED UNDER THIS ACT.

14 (U) SUBMIT ANY OF THE FOLLOWING TO THE ATTORNEY GENERAL:

15 (i) A DOCUMENT OR STATEMENT THAT PURPORTS TO BE SIGNED,  
16 CERTIFIED, ATTESTED TO, APPROVED BY, OR ENDORSED BY A PERSON IF  
17 THAT SIGNATURE, CERTIFICATION, ATTESTATION, APPROVAL, OR  
18 ENDORSEMENT IS NOT GENUINE OR WAS NOT GIVEN BY THAT PERSON.

19 (ii) A DOCUMENT CONTAINING ANY MATERIALLY FALSE STATEMENT.

20 (V) VIOLATE THE TERMS OF AN ASSURANCE OF DISCONTINUANCE OR  
21 SIMILAR AGREEMENT ACCEPTED BY THE ATTORNEY GENERAL AND FILED WITH  
22 THE COURT UNDER THIS ACT.

23 (W) FOR A CHARITABLE ORGANIZATION, FAIL TO VERIFY THAT ALL  
24 PROFESSIONAL FUND RAISERS WITH WHICH THE ORGANIZATION HAS  
25 CONTRACTED FOR FUND-RAISING SERVICES ARE CURRENTLY LICENSED UNDER  
26 THIS ACT.

27 (X) FOR A PROFESSIONAL FUND RAISER, FAIL TO PROVIDE

1 VERIFICATION OF CURRENT LICENSING STATUS AND INFORM ANY CHARITABLE  
2 ORGANIZATION WITH WHICH IT HAS CONTRACTED FOR FUND-RAISING SERVICES  
3 OF ANY CHANGES AFFECTING ITS LICENSING OR BONDING, IN WRITING,  
4 WITHIN 14 DAYS OF THE CHANGE.

5 (Y) FOR A CHARITABLE ORGANIZATION, SUBMIT FINANCIAL  
6 STATEMENTS, INCLUDING IRS FORM 990, 990-EZ, 990-PF, OR OTHER 990  
7 SERIES INTERNAL REVENUE SERVICE RETURN, OR ANY OTHER FINANCIAL  
8 REPORT REQUIRED UNDER THIS ACT, THAT CONTAIN ANY MISREPRESENTATION  
9 WITH RESPECT TO THE ORGANIZATION'S ACTIVITIES, OPERATIONS, OR USE  
10 OF CHARITABLE ASSETS.

11 (Z) WEAR A LAW ENFORCEMENT OR PUBLIC SAFETY UNIFORM OR  
12 CLOTHING SIMILAR TO A LAW ENFORCEMENT OR PUBLIC SAFETY UNIFORM WHEN  
13 MAKING A FACE-TO-FACE SOLICITATION OR COLLECTION OF CONTRIBUTIONS.

14 ~~—— (2) A person has used the name of another person for the~~  
15 ~~purpose of soliciting contributions if the latter person's name is~~  
16 ~~listed on stationery, an advertisement, brochure, or in~~  
17 ~~correspondence by which a contribution is solicited by or on behalf~~  
18 ~~of a charitable organization or the name is listed or referred to~~  
19 ~~in connection with a request for a contribution as one who has~~  
20 ~~contributed to, sponsored, or endorsed the organization or its~~  
21 ~~activities.~~

22 (2) ~~(3)~~ This section does not prevent the publication of names  
23 of contributors without their written consent in an annual or other  
24 periodic report issued by a charitable organization for the purpose  
25 of reporting on its operations and affairs to its membership or for  
26 the purpose of reporting contributions to contributors.

27 ~~—— (4) A charitable organization or professional fund raiser~~



1 ~~soliciting contributions shall not use a name, symbol, or statement~~  
 2 ~~so closely related or similar to that used by another charitable~~  
 3 ~~organization or governmental agency that would tend to confuse or~~  
 4 ~~mislead the public.~~

5 (3) ~~(5)~~ A charitable organization, whether **OR NOT** exempt ~~or~~  
 6 ~~not~~ from this act, shall supply to each solicitor and each  
 7 solicitor shall have in **HIS OR HER** immediate possession  
 8 identification ~~which~~ **THAT** sets forth the name of the solicitor and  
 9 the name of the charitable organization on whose behalf the  
 10 solicitation is conducted.

11 Sec. 20. (1) ~~The attorney general may institute~~ **IN ADDITION TO**  
 12 **ANY OTHER ACTION AUTHORIZED BY LAW, THE ATTORNEY GENERAL MAY BRING**  
 13 ~~an action in any circuit court to enjoin preliminarily or~~  
 14 ~~permanently a charitable organization, professional fund raiser,~~  
 15 ~~solicitor, or other person who: (a) Engages in a method, act, or~~  
 16 ~~practice in violation of this act or any of the rules promulgated~~  
 17 ~~hereunder. (b) Employs or uses in a solicitation or collection of~~  
 18 ~~contributions for a charitable organization on behalf of any other~~  
 19 ~~person for a charitable purpose a device, scheme, or artifice to~~  
 20 ~~defraud, or for obtaining money or property by means of any false~~  
 21 ~~pretense, deception, representation, or promise.~~ **AN ACT OR PRACTICE**  
 22 **PROHIBITED UNDER THIS ACT. AFTER FINDING THAT A PERSON HAS ENGAGED**  
 23 **IN OR IS ENGAGING IN A PROHIBITED ACT OR PRACTICE, A COURT MAY**  
 24 **ENTER ANY APPROPRIATE ORDER OR JUDGMENT, INCLUDING, BUT NOT LIMITED**  
 25 **TO, AN INJUNCTION, AN ORDER OF RESTITUTION, OR AN AWARD OF**  
 26 **REASONABLE ATTORNEY FEES AND COSTS. A COURT MAY AWARD TO THIS STATE**  
 27 **A CIVIL FINE OF NOT MORE THAN \$10,000.00 FOR EACH VIOLATION OF THIS**

1 ACT AGAINST A PERSON THAT IS SUBJECT TO THIS ACT; AGAINST AN  
2 OFFICER, DIRECTOR, SHAREHOLDER, OR CONTROLLING MEMBER OF A PERSON  
3 SUBJECT TO THIS ACT; AGAINST ANY OTHER PERSON THAT DIRECTLY ENGAGED  
4 IN, AUTHORIZED, OR WAS OTHERWISE LEGALLY RESPONSIBLE FOR THE  
5 PROHIBITED ACT OR PRACTICE; OR AGAINST ANY COMBINATION OF THOSE  
6 PERSONS. A COURT MAY ORDER AN INJUNCTION UNDER THIS SUBSECTION IF  
7 IT FINDS THAT A VIOLATION OF THIS ACT HAS OCCURRED, OR FINDS THAT  
8 AN INJUNCTION WOULD PROMOTE THE PUBLIC INTEREST, WITHOUT A FINDING  
9 OF IRREPARABLE HARM.

10 ~~(2) In addition to any relief afforded under this section, the~~  
11 ~~attorney general may exercise the authority to suspend or revoke a~~  
12 ~~license issued pursuant to this act.~~ IN ADDITION TO ANY OTHER  
13 REMEDY, A PERSON THAT VIOLATES AN INJUNCTION OR OTHER ORDER ENTERED  
14 UNDER SUBSECTION (1) SHALL PAY TO THIS STATE A CIVIL FINE OF NOT  
15 MORE THAN \$10,000.00 FOR EACH VIOLATION, WHICH MAY BE RECOVERED IN  
16 A CIVIL ACTION BROUGHT BY THE ATTORNEY GENERAL.

17 (3) The attorney general may exercise the authority granted in  
18 this section against a charitable organization or person ~~which or~~  
19 ~~who~~ THAT operates under the guise or pretense of being an A  
20 CHARITABLE organization or OTHER person ~~exempted by~~ THAT IS EXEMPT  
21 FROM this act and is not in fact an A CHARITABLE organization or  
22 person entitled to ~~such an~~ THAT exemption.

23 (4) IN ADDITION TO ANY OTHER ACTION AUTHORIZED BY LAW, THE  
24 ATTORNEY GENERAL MAY ISSUE A CEASE AND DESIST ORDER, ISSUE A NOTICE  
25 OF INTENDED ACTION, OR TAKE OTHER ACTION IN THE PUBLIC INTEREST.  
26 THE ATTORNEY GENERAL MAY ACCEPT AN ASSURANCE OF DISCONTINUANCE OF  
27 ANY METHOD, ACT, OR PRACTICE THAT VIOLATES THIS ACT FROM ANY PERSON

1 ALLEGED TO BE ENGAGED IN OR TO HAVE BEEN ENGAGED IN THAT METHOD,  
2 ACT, OR PRACTICE. AN ASSURANCE OF DISCONTINUANCE MAY INCLUDE A  
3 STIPULATION FOR THE VOLUNTARY PAYMENT OF THE COSTS OF  
4 INVESTIGATION, FOR AN AMOUNT TO BE HELD IN ESCROW PENDING THE  
5 OUTCOME OF AN ACTION OR AS RESTITUTION TO AN AGGRIEVED PERSON, OR  
6 FOR THE VOLUNTARY PAYMENT TO ANOTHER PERSON IF IN THE PUBLIC  
7 INTEREST. AN ASSURANCE OF DISCONTINUANCE SHALL BE IN WRITING AND  
8 SHALL BE FILED WITH THE CIRCUIT COURT FOR INGHAM COUNTY. AN ACTION  
9 RESOLVED BY AN ASSURANCE OF DISCONTINUANCE MAY BE REOPENED BY THE  
10 ATTORNEY GENERAL AT ANY TIME FOR ENFORCEMENT BY A COURT OR FOR  
11 FURTHER PROCEEDINGS IN THE PUBLIC INTEREST. EVIDENCE OF A VIOLATION  
12 OF AN ASSURANCE OF DISCONTINUANCE IS PRIMA FACIE EVIDENCE OF A  
13 VIOLATION OF THIS ACT IN ANY SUBSEQUENT PROCEEDING BROUGHT BY THE  
14 ATTORNEY GENERAL.

15       Sec. 21. (1) The attorney general may investigate the  
16 ~~operations or conduct of charitable organizations, professional~~  
17 ~~fund raisers, or professional solicitors subject to this act. He~~  
18 ~~may require a person, corporation, institution, or association, and~~  
19 ~~the officers, members, and employees and agents thereof, to appear~~  
20 ~~at a named time and place in the county designated by the attorney~~  
21 ~~general or where the person resides or is found, to give~~  
22 ~~information under oath and to produce books, memoranda, papers,~~  
23 ~~records, documents of title, evidence of assets, liabilities,~~  
24 ~~receipts, or disbursements in the possession or control of the~~  
25 ~~person ordered to appear. A COMPLAINT FROM ANY PERSON IN WHATEVER~~  
26 ~~MANNER THE ATTORNEY GENERAL CONSIDERS APPROPRIATE AND MAY~~  
27 ~~INVESTIGATE ON HIS OR HER OWN INITIATIVE ANY PERSON THAT IS SUBJECT~~

1 TO THIS ACT. THE ATTORNEY GENERAL MAY REQUIRE A PERSON OR AN  
2 OFFICER, MEMBER, EMPLOYEE, OR AGENT OF A PERSON TO APPEAR AT A TIME  
3 AND PLACE SPECIFIED BY THE ATTORNEY GENERAL TO GIVE INFORMATION  
4 UNDER OATH AND TO PRODUCE BOOKS, MEMORANDA, PAPERS, RECORDS,  
5 DOCUMENTS, OR EVIDENCE OF ASSETS, LIABILITIES, RECEIPTS, OR  
6 DISBURSEMENTS IN THE POSSESSION OF THE PERSON ORDERED TO APPEAR.

7 (2) When **REQUIRING THE ATTENDANCE OF A PERSON OR THE**  
8 **PRODUCTION OF DOCUMENTS UNDER SUBSECTION (1)**, the attorney general  
9 ~~requires the attendance of a person, he shall~~ issue an order  
10 setting forth the time when and the place where attendance **OR**  
11 **PRODUCTION** is required and shall ~~cause the same to be served~~ **SERVE**  
12 **THE ORDER** upon the person in the manner provided for service of  
13 process in civil cases at least 5 days before the date fixed for  
14 attendance **OR PRODUCTION**. The order shall have the same force and  
15 effect as a subpoena and, upon application of the attorney general,  
16 ~~obedience to the order may be enforced by a court having~~  
17 jurisdiction over the person ~~, OR~~ the circuit court for the county  
18 of Ingham ~~, or for the county where the person receiving it~~ **THE**  
19 **ORDER** resides or is found, in the same manner as though the notice  
20 were a subpoena. ~~In case of contumacy~~ **IF A PERSON FAILS** or refusal  
21 **REFUSES** to obey the order issued by the attorney general, the court  
22 may issue an order requiring the person to appear before the court,  
23 ~~or to produce documentary evidence, if so ordered,~~ or to give  
24 ~~evidence touching~~ **TESTIMONY CONCERNING** the matter in question.  
25 Failure to obey the order of the court ~~shall be punished~~ **IS**  
26 **PUNISHABLE** by that court as a contempt. The investigation may be  
27 ~~made~~ **CONDUCTED** by ~~or before~~ an assistant attorney general **OR OTHER**

1 ~~PERSON~~ designated in writing by the attorney general. to conduct  
 2 the investigation. The attorney general or the assistant attorney  
 3 general acting in his behalf **OTHER DESIGNATED PERSON** may administer  
 4 the necessary oath or affirmation to witnesses.

5 Sec. 23. (1) A person ~~who~~ **THAT** does any of the following is  
 6 guilty of a misdemeanor punishable by **IMPRISONMENT FOR NOT MORE**  
 7 **THAN 6 MONTHS** OR a fine of not more than \$500.00, or imprisonment  
 8 for not more than 6 months \$5,000.00, or both, **FOR EACH VIOLATION:**

9 ~~—— (a) Violates this act.~~

10 ~~—— (b) Solicits and receives public donations, or sells~~  
 11 ~~memberships in this state for and on behalf of any organization,~~  
 12 ~~institution, or association subject to the provisions of this act~~  
 13 ~~and which is not duly licensed pursuant to this act.~~

14 ~~—— (c) Solicits funds under a license and thereafter diverts the~~  
 15 ~~same to purposes other than that for which the funds were~~  
 16 ~~contributed.~~

17 (A) KNOWINGLY MISREPRESENTS OR MISLEADS ANY PERSON IN ANY  
 18 MANNER TO BELIEVE THAT A PERSON ON WHOSE BEHALF A SOLICITATION  
 19 EFFORT IS CONDUCTED IS A CHARITABLE ORGANIZATION OR THAT THE  
 20 PROCEEDS OF A SOLICITATION EFFORT ARE FOR CHARITABLE PURPOSES.

21 (B) KNOWINGLY DIVERTS OR MISDIRECTS CONTRIBUTIONS TO A PURPOSE  
 22 OR ORGANIZATION OTHER THAN FOR WHICH THE FUNDS WERE CONTRIBUTED OR  
 23 SOLICITED.

24 (C) KNOWINGLY MISREPRESENTS THAT FUNDS SOLICITED OR  
 25 CONTRIBUTED WILL BE USED FOR A SPECIFIC CHARITABLE PURPOSE.

26 (D) KNOWINGLY MISREPRESENTS THAT A DONOR WILL RECEIVE SPECIAL  
 27 BENEFITS OR TREATMENT OR THAT FAILURE TO MAKE A CONTRIBUTION WILL

1 RESULT IN UNFAVORABLE TREATMENT.

2 (E) EMPLOYS ANY DEVICE, SCHEME, OR ARTIFICE TO DEFRAUD OR  
3 OBTAIN MONEY OR PROPERTY FROM A PERSON BY MEANS OF A FALSE,  
4 DECEPTIVE, OR MISLEADING PRETENSE, REPRESENTATION, OR PROMISE.

5 (F) KNOWINGLY FAILS TO FILE ANY MATERIALS, INFORMATION, OR  
6 REPORT REQUIRED UNDER THIS ACT.

7 (G) ENGAGES IN ANY OF THE FOLLOWING PRACTICES AND WRONGFULLY  
8 OBTAINS MORE THAN \$1,000.00 AND LESS THAN \$5,000.00, IN THE  
9 AGGREGATE, AS A RESULT OF THE PRACTICE OR PRACTICES:

10 (i) KNOWINGLY MISREPRESENTS THAT A PERSON SOLICITING  
11 CONTRIBUTIONS OR OTHER FUNDS FOR A CHARITABLE ORGANIZATION HAS A  
12 SPONSORSHIP, APPROVAL, STATUS, AFFILIATION, OR OTHER CONNECTION  
13 WITH A CHARITABLE ORGANIZATION OR CHARITABLE PURPOSE THAT THE  
14 PERSON DOES NOT HAVE.

15 (ii) KNOWINGLY USES A NAME, SYMBOL, OR STATEMENT SO CLOSELY  
16 RELATED OR SIMILAR TO A NAME, SYMBOL, OR STATEMENT USED BY ANOTHER  
17 CHARITABLE ORGANIZATION OR GOVERNMENTAL AGENCY THAT USE OF THAT  
18 NAME, SYMBOL, OR STATEMENT IS CONFUSING OR MISLEADING.

19 (iii) KNOWINGLY USES A BOGUS, FICTITIOUS, OR NONEXISTENT  
20 ORGANIZATION, ADDRESS, OR TELEPHONE NUMBER IN ANY SOLICITATION.

21 (iv) KNOWINGLY MISREPRESENTS OR MISLEADS ANY PERSON IN ANY  
22 MANNER TO BELIEVE THAT A PERSON OR GOVERNMENTAL AGENCY SPONSORS,  
23 ENDORSES, OR APPROVES A SOLICITATION EFFORT IF THAT PERSON OR  
24 AGENCY HAS NOT GIVEN WRITTEN CONSENT TO THE USE OF THE PERSON'S OR  
25 AGENCY'S NAME FOR THAT PURPOSE.

26 (v) KNOWINGLY MISREPRESENTS THAT THE AMOUNT OR PERCENTAGE OF A  
27 CONTRIBUTION THAT A CHARITABLE ORGANIZATION WILL RECEIVE FOR A

1 CHARITABLE PROGRAM AFTER COSTS OF SOLICITATION ARE PAID IS GREATER  
2 THAN THE AMOUNT OR PERCENTAGE OF THE CONTRIBUTION THE CHARITABLE  
3 ORGANIZATION WILL ACTUALLY RECEIVE.

4 (vi) KNOWINGLY SOLICITS CONTRIBUTIONS, CONDUCTS A SALES  
5 PROMOTION, OR OTHERWISE OPERATES IN THIS STATE AS A CHARITABLE  
6 ORGANIZATION OR PROFESSIONAL FUND RAISER UNLESS THE INFORMATION  
7 REQUIRED UNDER THIS ACT IS FILED WITH THE ATTORNEY GENERAL AS  
8 REQUIRED UNDER THIS ACT.

9 (vii) AIDS, ABETS, OR OTHERWISE PERMITS A PERSON TO SOLICIT  
10 CONTRIBUTIONS OR CONDUCT A SALES PROMOTION IN THIS STATE UNLESS THE  
11 PERSON SOLICITING CONTRIBUTIONS OR CONDUCTING THE SALES PROMOTION  
12 HAS COMPLIED WITH THE REQUIREMENTS OF THIS ACT.

13 (viii) KNOWINGLY SOLICITS OR RECEIVES A CONTRIBUTION, CONDUCTS A  
14 CHARITABLE SALES PROMOTION, OR SELLS MEMBERSHIPS IN THIS STATE FOR  
15 OR ON BEHALF OF ANY CHARITABLE ORGANIZATION SUBJECT TO THE  
16 PROVISIONS OF THIS ACT THAT IS NOT REGISTERED UNDER THIS ACT.

17 (2) A PERSON THAT DOES ANY OF THE FOLLOWING IS GUILTY OF A  
18 FELONY PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 5 YEARS OR A  
19 FINE OF NOT MORE THAN \$20,000.00, OR BOTH, FOR EACH VIOLATION:

20 (A) ENGAGES IN ANY PRACTICE OR PRACTICES DESCRIBED IN  
21 SUBSECTION (1) (A), (B), (C), (D), OR (E) IF THE AMOUNT OF MONEY  
22 FRAUDULENTLY COLLECTED OR WRONGFULLY DIVERTED FROM THE CHARITABLE  
23 PURPOSE FOR WHICH THE MONEY WAS SOLICITED EXCEEDS, IN THE  
24 AGGREGATE, \$1,000.00.

25 (B) ENGAGES IN ANY PRACTICE OR PRACTICES DESCRIBED IN  
26 SUBSECTION (1) (G) AND WRONGFULLY OBTAINS MORE THAN \$5,000.00, IN  
27 THE AGGREGATE, AS A RESULT OF THE PRACTICE OR PRACTICES.

1 (C) KNOWINGLY SUBMITS ANY OF THE FOLLOWING IN MATERIALS OR  
2 STATEMENTS REQUIRED UNDER THIS ACT OR REQUESTED BY THE ATTORNEY  
3 GENERAL:

4 (i) ANY DOCUMENT OR STATEMENT PURPORTING TO HAVE BEEN SIGNED,  
5 CERTIFIED, ATTESTED TO, APPROVED BY, OR ENDORSED BY A PERSON IF THE  
6 SIGNATURE, CERTIFICATION, ATTESTATION, APPROVAL, OR ENDORSEMENT IS  
7 NOT GENUINE OR HAS NOT BEEN GIVEN BY THAT PERSON.

8 (ii) ANY DOCUMENT CONTAINING ANY MATERIALLY FALSE STATEMENT.

9 (3) FOR PURPOSES OF THIS SECTION, A PERSON IS PRESUMED TO HAVE  
10 COMMITTED A VIOLATION KNOWINGLY IF THE ATTORNEY GENERAL PROVIDED  
11 WRITTEN NOTICE IDENTIFYING ALLEGED VIOLATIONS TO THE PERSON BEFORE  
12 THE ACTS OR OMISSIONS IN VIOLATION OF SUBSECTION (1) OR (2)  
13 OCCURRED.

14 (4) IN ADDITION TO PURSUING A CRIMINAL ACTION UNDER THIS  
15 SECTION, THE ATTORNEY GENERAL MAY BRING A CIVIL ACTION FOR DAMAGES  
16 OR EQUITABLE RELIEF TO ENFORCE THE PROVISIONS OF THIS ACT.

17 (5) ~~(2)~~ This section shall ~~DOES~~ not be construed to limit or  
18 restrict prosecution under the general criminal statutes of the  
19 THIS state.

20 SEC. 23A. (1) A PERSON THAT IS NOT A CHARITABLE ORGANIZATION,  
21 A PROFESSIONAL FUND RAISER, OR A VOLUNTEER SUPERVISED BY A  
22 CHARITABLE ORGANIZATION, BUT THAT SOLICITS CONTRIBUTIONS, CONDUCTS  
23 A FUND-RAISING EVENT, OR CONDUCTS A SALES PROMOTION OR CAMPAIGN FOR  
24 A CHARITABLE PURPOSE IS SUBJECT TO THIS ACT.

25 (2) A PERSON SUBJECT TO THIS ACT UNDER SUBSECTION (1) IS NOT  
26 REQUIRED TO REGISTER OR FILE REPORTS REQUIRED UNDER THIS ACT.

27 SEC. 23B. THE PROSECUTING ATTORNEY FOR A COUNTY MAY PROSECUTE



1 A PERSON SUBJECT TO THIS ACT IN THE SAME MANNER AS THE ATTORNEY  
2 GENERAL. A COUNTY PROSECUTING ATTORNEY SHALL NOTIFY THE ATTORNEY  
3 GENERAL WHEN HE OR SHE BEGINS A PROSECUTION UNDER THIS SECTION AND  
4 PROVIDE THE ATTORNEY GENERAL WITH A COPY OF THE FINAL JUDGMENT IN  
5 THAT ACTION.

6 Enacting section 1. Sections 12 and 14 of the charitable  
7 organizations and solicitations act, 1975 PA 169, MCL 400.282 and  
8 400.284, are repealed.