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Public Law
123rd Legislature
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Chapter 633
H.P. 1557 - L.D. 2187

**An Act To Allow Limited Charitable
Solicitations by Law Enforcement Associations**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 25 MRSA §3701, sub-§8 is enacted to read:

8. Catastrophic illness. "Catastrophic illness" means an unforeseen, prolonged and extended illness, medical condition or injury that will likely cause death or permanent disability as determined by a licensed physician whose determination must be in writing.

Sec. 2. 25 MRSA §3701, sub-§9 is enacted to read:

9. Designated public benefit corporation. "Designated public benefit corporation" means a "public benefit corporation," as described in Title 13-B, section 1406, subsection 1, that does not employ or have on its board of directors any certified law enforcement officer and that has entered into an agreement with a law enforcement agency or law enforcement association as provided in section 3702-C.

Sec. 3. 25 MRSA §3701, sub-§10 is enacted to read:

10. Immediate family member. "Immediate family member" means a law enforcement officer's spouse, domestic partner, child or legal dependent.

Sec. 4. 25 MRSA §3702-C, as enacted by PL 2005, c. 397, Pt. C, §19, is amended to read:

§ 3702-C. Solicitation unlawful; exceptions

Except as provided in this section, a law enforcement agency, law enforcement association, law enforcement officer or solicitation agent may not solicit property from the general public when the property or any part of that property in any way tangibly benefits, is intended to tangibly benefit or is represented to be for the tangible benefit of any law enforcement officer, law enforcement agency or law enforcement association. Any violation of this chapter constitutes a violation of the Maine Unfair Trade Practices Act.

1. Limited solicitation. A law enforcement agency or association may solicit property from the general public for the tangible benefit of a law enforcement officer, or an immediate family member of a law enforcement officer, suffering from a catastrophic illness by hosting fundraising events or by written solicitation.

A. A law enforcement agency or association may host ticketed fundraising events that are open to the public as long as the events are advertised only through public announcements and tickets are available for purchase only from a designated public benefit corporation.

B. A law enforcement agency or association may make general public solicitations for donations through public announcements or paid advertisements as long as all donations are directed to be sent to a designated public benefit corporation. Solicitations may not be sent directly to potential donors by mail or any other direct means.

2. Required notice. Any public solicitation or advertisement for a fundraising event must contain a notice that clearly identifies the name and address of the designated public benefit corporation and the law enforcement officer or immediate family member for whom the solicitation is made. The notice must also specify that any questions about the solicitation may be directed to the Office of the Attorney General.

A. A notice for a fundraising event must read: "This event is sponsored by (insert name of law enforcement agency or association) for the sole benefit of (insert name and agency). All donations made pursuant to this solicitation must be sent to the designated public benefit corporation, which may not disclose the names of donors."

B. A notice for a public solicitation must read: "This solicitation is made by (insert name of law enforcement agency or association) for the sole benefit of (insert name and agency). All donations made pursuant to this solicitation must be sent to the designated public benefit corporation, which may not disclose the names of donors."

3. Standardized written agreement. Prior to engaging in any solicitation activity under this section, a law enforcement agency or a law enforcement association and a designated public benefit corporation must enter into a signed written agreement that specifies the obligations of each party. The Office of the Attorney General shall provide a standardized written agreement that must be used by the parties.

4. No disclosure of donors. A designated public benefit corporation that engages in solicitation pursuant to this section may not disclose the names of any donors to any person, except to the Attorney General.

5. Limited reimbursement. The law enforcement agency or law enforcement association may reimburse the designated public benefit corporation only for its advertising costs and may not otherwise pay the designated public benefit corporation for its services provided under this section.

6. Registration and reporting. Each party to the written agreement shall comply with all requirements for reporting to and registration with the Department of Professional and Financial Regulation as a charitable organization, or as a charitable organization that is exempt from registration, pursuant to the Charitable Solicitations Act and shall comply with any other reporting and registration requirements related to the event or solicitation.

7. Escrow account. All funds collected by the designated public benefit corporation under this section must be held in an escrow account pursuant to this subsection.

A. The escrow account must be established by the designated public benefit corporation in a bank or trust company authorized to do business in this State within the meaning of Title 9-B, section 131, subsection 2. The funds deposited in the escrow account must be kept and maintained in an account separate from any other accounts.

B. Checks, drafts and money orders from donors may be made payable only to the bank or trust company described in paragraph A.

C. Funds deposited in the escrow account are not subject to any liens or charges by the escrow agent or judgments, garnishments or creditor's claims against the designated public benefit corporation or beneficiary.

D. The funds may be paid only to the beneficiary, or to the heirs of the beneficiary if the beneficiary dies, and must be paid within 30 days of the conclusion of the event or written solicitation.

8. Accounting. Upon request, the designated public benefit corporation shall provide an accounting of the funds received from the event or written solicitation and any documents related to the fundraising event or solicitation, including the names of the donors, to the Attorney General. The Attorney General may enforce application of funds given or appropriated to public charities and prevent breaches of trust in their administration, pursuant to Title 5, section 194, subsection 2.