



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bills 1528 and 1577 (as reported without amendment)  
Sponsor: Senator Mark C. Jansen  
Committee: Families and Human Services

**CONTENT**

Senate Bill 1528 would amend the Charitable Organizations and Solicitations Act to do the following:

- Require charitable organizations to register with (rather than be licensed by) the Attorney General.
- Allow a charitable organization to receive up to \$25,000 in a fiscal year before being subject to the registration requirement (which would replace the \$8,000 cap for a licensure exemption).
- Prohibit a number of activities involving misrepresentations and noncompliance.
- Increase the fine for a misdemeanor violation of the Act from \$500 to \$5,000.
- Make certain violations a felony punishable by imprisonment for up to five years, a maximum fine of \$20,000, or both, for each violation.
- Provide for a civil fine of up to \$10,000 payable to the State for violations.
- Authorize the Attorney General to issue a cease and desist order and to accept an assurance of discontinuance, which could include payment for the costs of investigation, restitution to an aggrieved person, or payment to another person.
- Authorize the Attorney General to bring a civil action for damages or equitable relief.
- Allow county prosecutors to prosecute people subject to the Act.

Senate Bill 1577 would amend the sentencing guidelines in the Code of Criminal Procedure to include a criminal violation of the Charitable Organizations and Solicitations Act as a Class E felony against the public trust with a statutory maximum of five years. The bill is tie-barred to Senate Bill 1538.

MCL 400.273 et al. (S.B. 1528)  
777.14a (S.B. 1577)

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

There should be no significant additional costs to the Office of Attorney General (OAG) as a result of the proposed legislation. There could be minimal additional costs associated with the rules that the OAG would have to promulgate as a result of this proposal; however, the current OAG funding levels should be able to absorb these costs.

There are no data to indicate how many offenders would be convicted of the proposed offenses. Local governments would incur the costs of incarceration in local facilities, which vary by county. The State would incur the cost of felony probation at an average annual cost of \$2,500, as well as the cost of incarceration in a State facility at an average annual cost of \$34,000. An offender convicted of a Class E offense under the bills would receive a sentencing guidelines minimum sentence range of 0-3 months to 24-38 months, with a statutory maximum of five years. Any additional penal fine revenue collected would benefit public libraries.

Date Completed: 11-10-10

Fiscal Analyst: Joe Carrasco/Matthew Grabowski

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Bill Analysis @ [www.senate.michigan.gov/sfa](http://www.senate.michigan.gov/sfa)

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.