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DMA-Led Coalition Wins on Clarification of California Nonprofit Fundraising Law *Group Applauds California Governor's Signature of Assembly Bill 556*

New York, NY, September 23, 2015 – In a major victory for members of the DMA Nonprofit Federation (DMANF) and members of the coalition it led, California Governor Edmund G. Brown Monday signed Assembly Bill 556, a bill clarifying the notice obligations on charities and nonprofits that use “fundraising counsel.”

“We believe this legislation clarifies the legal responsibilities and prohibitions for charitable fundraising organizations and fundraising counsel, and properly supports the state’s policies of protecting donors and fostering charitable giving,” said **Senny Boone, DMANF Executive Director**. “We applaud Governor Brown, Assembly Member Irwin and Attorney General Harris in supporting these clarifications and keeping faith with the intent of the law to provide donor transparency to Californians.”

Co-authored by Assembly Member Jacqui Irwin (D-Thousand Oaks) and sponsored by Attorney General Kamala Harris, AB 556 was introduced following litigation against “Help Hospitalized Veterans” on allegations of misuse of donor funds. As originally drafted, AB 556 would have imposed new notice requirements on charities using “fundraising counsel,” impacting charitable nonprofits with thousands of dollars in unnecessary compliance and disclosure costs.

The DMANF, on behalf of its members and other charities, educated lawmakers on the distinct roles of charitable “fundraising counsel” and “fundraising solicitors,” and offered alternative language that provides clear legal definitions relating to commercial fundraising for charitable purposes and specifies the circumstances that trigger compliance with existing California donor disclosure law.

"For the first time, a state government targeted fundraising 'counsel' rather than a real set of problems in the marketplace," said Boone. "As the one marketing association that represents marketers and fundraisers in all 50 states, DMA and DMANF were able to engage members quickly, work with lawmakers to address our concerns and achieve legislation that everyone could support."

[Click here to read the enacted version AB 556](#). It will take effect on January 1, 2016.

About the DMA Nonprofit Federation

The [DMA Nonprofit Federation](#) of the Direct Marketing Association protects & defends nonprofit fundraising across marketing channels to advance responsible data-driven fundraising and marketing. Its policy focus continues to be preserving charitable giving incentives, supporting postal reform to keep a stable United States Postal Service, keeping marketing channels open for fundraising, and reviewing unreasonable fundraising solicitation regulations impacting nonprofit organizations and companies working on their behalf at the state level.

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