

Schaumburg was extended in *Secretary of State v. Joseph H. Munson Co.*,¹⁵⁴⁶ and *Riley v. National Federation of the Blind*.¹⁵⁴⁷ In *Munson*, the Court invalidated a Maryland statute limiting professional fundraisers to 25% of the amount collected plus certain costs, and allowing waiver of this limitation if it would effectively prevent the charity from raising contributions. In *Riley*, the Court invalidated a North Carolina fee structure containing even more flexibility.¹⁵⁴⁸ The Court saw “no nexus between the percentage of funds retained by the fundraiser and the likelihood that the solicitation is fraudulent,” and was similarly hostile to any scheme that shifts the burden to the fundraiser to show that a fee structure is reasonable.¹⁵⁴⁹ Moreover, a requirement that fundraisers disclose to potential donors the percentage of donated funds previously used for charity was also invalidated in *Riley*, the Court indicating that the “more benign and narrowly tailored” alternative of disclosure to the state (accompanied by state publishing of disclosed percentages) could make the information publicly available without so threatening the effectiveness of solicitation.¹⁵⁵⁰

In *Watchtower Bible & Tract Soc’y v. Village of Stratton*, the Court struck down an ordinance that made it a misdemeanor to engage in door-to-door advocacy—religious, political, or commercial—without first registering with the mayor and receiving a permit.¹⁵⁵¹ “It is offensive to the very notion of a free society,” the Court wrote, “that a citizen must first inform the government of her desire to speak to her neighbors and then obtain a permit to do so.”¹⁵⁵² The ordinance violated the right to anonymity, burdened the freedom of speech of those who hold “religious or patriotic views” that prevent them from applying for a license, and effectively banned “a signifi-

¹⁵⁴⁶ 467 U.S. 947 (1984).

¹⁵⁴⁷ 487 U.S. 781 (1988).

¹⁵⁴⁸ A fee of up to 20% of collected receipts was deemed reasonable, a fee of between 20 and 35% was permissible if the solicitation involved advocacy or the dissemination of information, and a fee in excess of 35% was presumptively unreasonable, but could be upheld upon one of two showings: that advocacy or dissemination of information was involved, or that otherwise the charity’s ability to collect money or communicate would be significantly diminished.

¹⁵⁴⁹ 487 U.S. at 793.

¹⁵⁵⁰ 487 U.S. at 800. North Carolina’s requirement for licensing of professional fundraisers was also invalidated in *Riley*, id. at 801–02. In *Illinois ex rel. Madigan v. Telemarketing Assocs.*, 538 U.S. 600 (2003), the Court held unanimously that the First Amendment does not prevent a state from bringing fraud actions against charitable solicitors who falsely represent that a “significant” amount of each dollar donated would be used for charitable purposes.

¹⁵⁵¹ 536 U.S. 150 (2002).

¹⁵⁵² 536 U.S. at 165–66.