

## **Alert** | Marketing, Advertising, Sweepstakes & Promotions Law



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### **Registration for Online Cause-Related Marketing Programs in California**

California AB 488 regulates various forms of cause-related marketing programs when conducted online, including charitable sales promotions, donation-at-checkout programs, and free-action programs where consumers are invited to take a cost-free action online to trigger a charitable donation by the company sponsoring the program, as reported in our [October 2021 GT Alert](#).

While some provisions of AB 488 took effect Jan. 1, 2023, registration duties were delayed pending finalization of regulations and applicable forms for filing. The regulations and registration duties now are expected to take effect at some point in 2024.

Specifically, beginning later this year, California will require registration as a charitable fundraising platform for any merchant that offers any of the following online: (i) one or more charitable sales promotion programs online for the benefit of more than six end-beneficiary charities in any calendar year (even if the programs are also available in-store), (ii) a donation-at-checkout program, or (iii) a free-action program.

California's registration and reporting requirements for charitable fundraising platforms are still pending, but the [current draft regulations and forms](#) – which are not expected to change substantially when finalized – would require the filings described below.

## Registration and Renewal

A company must register as a charitable fundraising platform with the Attorney General's Registry of Charities and Fundraisers before engaging in any cause-related marketing programs as described above. The filing fee is \$625. For ongoing activity, registration must be renewed annually. Failure to register or renew may result in assessment of late fees.

## Annual Report

A detailed report with information about all online charitable fundraising activity must be filed for each year the company engages in any covered activity. Failure to file a timely annual report may result in assessment of late fees and automatic suspension of the registration.

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