

# OFFICE OF THE SECRETARY OF STATE STATE OF GEORGIA

IN THE MATTER OF

Hayley's Helpers Incorporated and Kirk Drew Blackmon

Respondents.

Case Number: ENCH-190282

## ORDER TO CEASE AND DESIST

Pursuant to the authority of the Georgia Charitable Solicitations Act of 1988, as amended O.C.G.A § 43-17-1 *et seq.* ("Act") and 59-9-1 *et seq.* of the Rules and Regulations of the State of Georgia ("Rules"), the Secretary of State of the State of Georgia ("Secretary"), has caused on investigation to be made into the acts and practices of **Hayley's Helpers Incorporated** ("Hayley's") and **Kirk Drew Blackmon** ("Blackmon") (together, "Respondents"). As a result of the investigation, the Secretary makes the following findings of facts and conclusions of law:

# I. FINDINGS OF FACT

- 1. Hayley's is a domestic nonprofit corporation, with its principle office located at 31 Laurelwood Circle, Griffin, Georgia 30224. According to its Facebook page, Hayley's "helps to raise funds for canine cancer research and Scottish terrier rescue".
- 2. Hayley's registered with the Georgia Corporations Division in October 2011 as a domestic nonprofit corporation. Blackmon was listed as Hayley's CEO, CFO, Secretary, and registered agent.

- 3. Hayley's pursues its mission through fundraising events associated with Blackmon's dog, named Hayley Blackmon, and often referred to as Hayley Blackmon II or H2. According to the Hayley Blackmon Facebook page, Hayley Blackmon is "the official mascot to Warm Springs, GA" and "Official spokesdog for Hayley's Helpers Inc".
- 4. On December 7, 2016, Hayley's was administratively dissolved for failure to file its annual registration.
- 5. Hayley's is not, nor has it ever been registered with the Secretary as a charitable organization pursuant to O.C.G.A. § 43-17-5, and has not claimed to be exempt from such registration pursuant to O.C.G.A. § 43-17-9.
- 6. On February 27, 2019, the Secretary received a complaint that Respondents both solicited and received charitable donations without being registered with the Secretary as a charitable organization.
- 7. On June 26, 2019, the Securities and Charities Division of the Office of the Georgia Secretary of State ("Division") sent a subpoena to Hayley's addressed to Blackmon's attention. The subpoena requested that Respondents provide the Division with documents related to Hayley's registration status or, alternatively, provide documentation supporting that Hayley's had been operating under an eligible exemption.
- 8. On July 23, 2019, the Division received a phone call from Blackmon in which he confirmed he received the Division's subpoena dated June 26, 2019 and represented that he would respond to and provide the information requested in the Division's subpoena dated June 26, 2019.
- 9. To date, the Division has not received any further response to its June 26, 2019 subpoena, nor has it received any further communication of any kind from Respondents, any of its members, associates, or control persons.

10. In its investigation, the Division's uncovered evidence that Respondents solicited and accepted charitable funds. This evidence includes several posts on the Hayley's Facebook page that show Hayley's raises funds. One post, dated January 13, 2018, states, "Hayley McKay Blackmon II (H2) sending in today more funds she has personally raised for National Canine Cancer Foundation." Another post from April 21, 2015 states, "This is H2, I am mailing in more checks and money orders to NCCF... Remember you are part of the cure when you donate." A third post from November 25, 2014 states, "Hayley II mailing check to National Canine Cancer Foundation... from proceeds of Fala to the Rescue auction." Additionally, the Hayley Blackmon Facebook page states in it's about section that Hayley's "raises funds for Scottie [r]escue and [h]ealth and cancer research for canines"

#### II. CONCLUSIONS OF LAW

- 11. Paragraphs 1 through 10 are incorporated by reference as though fully set forth herein.
- 12. The Secretary has jurisdiction over this matter pursuant to the Act. See O.C.G.A. §§ 43-17-10 and 43-17-11.
- 13. Pursuant to O.C.G.A. §§ 43-17-11 and 43-17-13, the Secretary is authorized to institute this investigation and issue the order.
- 14. Pursuant to O.C.G.A. § 43-17-13(a)(1)(A)(i), "whenever it may appear to the Secretary of state, either upon compliant or otherwise, that any person engaged in or is engaging in or is about to engage in any cat, practice, or transaction which is prohibited by this chapter or by any rule, regulation, or order of the Secretary of State promulgated or issued pursuant to any Code section of this chapter or which is declared to be unlawful under this chapter, the Secretary of state may, at his discretion . . . issue a cease and desist order against any person."
- 15. Pursuant to O.C.G.A. § 43-17-13(a)(1)(A)(v), the Secretary may, "[r]egarding any willful act, practice, or transaction, issue an order imposing a civil penalty up to a maximum of \$250.00

against any person for a single violation or \$500.00 for multiple violations in a single proceeding or a series of related proceedings."

- 16. O.C.G.A. § 43-17-2(2) defines a charitable organization as "any benevolent, philanthropic, patriotic, or eleemosynary (or, relating to, or supported by charity or alms) person, as that term is defined in this code section, who solicits or obtains contributions solicited from the general public, any part of which contributions is used for charitable purposes."
- 17. O.C.G.A. § 43-17-2(15) defines solicitation as the "request or acceptance directly or indirectly of money, credit, property, financial assistance, or any other thing of value to be used for any such charitable purpose."
- 18. Pursuant to O.C.G.A. § 43-17-5, it is unlawful for charitable organizations and individuals to solicit contributions from the public for charitable purposes unless said charitable organizations are registered with the Secretary, or are otherwise exempt from registration.
- 19. Hayley's acted as a charitable organization from 2014 to the present date when it and Blackmon solicited donations or contributions for use in carrying out its charitable operations. Because Respondents are soliciting donations in Georgia without being registered as a charitable organization, and because Respondents have not claimed an exemption, Respondents violated O.C.G.A. § 43-17-5.

### III. ORDER

**WHEREFORE**, by the authority vested in me as the Secretary of State for the State of Georgia, **IT IS HEREBY ORDERED**:

- 1. **Hayley's Helpers Incorporated** immediately **CEASE AND DESIST** all violations of the Georgia Charitable Solicitations Act of 1988, as amended.
- Kirk Drew Blackmon immediately CEASE AND DESIST all violations of the Georgia Charitable Solicitations Act of 1988, as amended.
- 3. Hayley's Helpers Incorporated and Kirk Drew Blackmon, jointly and severally pay

a civil penalty of two hundred fifty dollars (\$250.00).

The entry of this Order is deemed to be in the public interest, and shall not be deemed to constitute findings or conclusions relating to other persons unrelated to Respondent and shall not be deemed to be a waiver or estoppel on the part of the Secretary of State from proceeding in individual actions against any person who may have violated the Act or any transactions not specifically referred to herein or not known to the Secretary of State at the time this Order was issued.

SO ORDERED this 11th day of September, 2019.

BRAD RAFFESNPERGER SECRETARY OF STATE

By:

Noula Zaharis

Director, Securities and Charities Division