



Herbert H. Slatery III Attorney General & Reporter

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TENNESSEE ANNOUNCES SETTLEMENT WITH SHAM HOSPICE CHARITY

Attorney General Herbert H. Slatery III, and Secretary of State Tre Hargett announced a \$160,000 settlement with the New Hope Foundation, Inc. (“New Hope”) of Nashville and its officers and directors as a result of a multistate enforcement action to shut down a sham hospice charity. Pursuant to the settlement, the organization will dissolve, and two of its officers are banned from any charity or fundraising activities in perpetuity by Tennessee, Kentucky, Ohio, Arkansas, California, Kansas, Minnesota, and New York.

New Hope raised funds through telemarketing and direct mail and allegedly provided education regarding hospice services. The multistate enforcement began when a local hospice reported that donors were receiving a “local area appeal” for a Hospice Support Fund, but the hospice had not received any money as a result. The subsequent investigation determined that New Hope was responsible for the misleading solicitations.

“Charity fraud is a serious concern for the Tennessee Attorney General’s Office,” said General Slatery. “In cases where state law is being violated and donors’ hard-earned money is not going to the worthy cause they seek to support, this Office will pursue legal action to stop it.”

“I am grateful that we were able to work together with other states to bring down another sham charity trying to take advantage of Tennesseans’ generosity,” Secretary Hargett said. “Before donating to any organization, I encourage givers to take time to verify an organization is legitimate and that funds will be used for their intended purpose.”

In 2016, the organization had gross receipts of \$4,243,069, but performed little, if any, program service. Their “charitable programming” primarily consisted of the fundraiser sending out information regarding the benefits of hospice care when requested, some information on their website, some public service announcements, and occasional fulfillment of hospice wish lists found online. They admitted that they did not receive any calls or emails requesting information about hospice or assistance at their office in Nashville.

In addition to paying executive compensation of almost \$100,000 and minimal other administrative expenses, the remainder of the money went to pay fundraisers to solicit donations on behalf of New Hope. The organization was indebted to the fundraisers more than half a million dollars.



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People with questions about a charity or professional solicitor operating in the state of Tennessee should contact the Division of Charitable Solicitations and Gaming by calling (615) 741-2555 or going to sos.tn.gov/charitable.

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