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Attorney General Brown and Secretary of State Lee Announce Settlement with the Johns Hopkins House, Inc. Settlement Shuts Down Unlawful Charitable Organization for Violations of the Maryland Solicitations Act

BALTIMORE, MD (December 3, 2024) - Attorney General Anthony G. Brown and Secretary of State Susan C. Lee today announced a settlement with The Johns Hopkins House, Inc., a 501(c)(3) tax-exempt organization and its founder, Robert S. Brown, for alleged violations of the Maryland Solicitations Act. The settlement requires Mr. Brown to permanently shut down the organization and cease all charitable soliciting in the State of Maryland.

"Rather than spend their hard-earned money on themselves or their families, donors make the honorable decision to support causes and organizations that are important to them. A charitable organization that misleads its donors about the use of their funds betrays those who just want to help their fellow Marylanders," **said Attorney General Brown**. "Our office is committed to holding accountable those who abuse charitable assets and protecting Maryland consumers from unlawful fundraising."

The settlement resolves a summary cease and desist order issued by the Secretary of State on October 23, 2023, which ordered all charitable soliciting to stop following a determination that Mr. Brown committed multiple violations of the Maryland Solicitations Act. These violations included failing to disclose financial information upon request and misleading donors about the actual use of charitable donations.

As part of its mission, The Johns Hopkins House, Inc. said it would save and preserve Whites Hall, the childhood home of famed Marylander Johns Hopkins. As an extension of this mission, the organization also claimed it would establish a museum on the property and fund scholarships.

In charitable solicitations used throughout much of 2023, The Johns Hopkins House, Inc. and Mr. Brown advertised and sold tickets to several fundraising events to support the charity's stated mission. These events were never held. In January 2024, the organization lost Whites Hall to foreclosure. In charitable solicitations used during the course of foreclosure, donors were misled about the financial status of the organization.

The investigation further found that charitable contributions that were allegedly used to support the stated charitable mission of the organization were instead used to cover fundraising expenses. The investigation also found that some charitable contributions were used to support the living expenses of Mr. Brown at Whites Hall.

"The Maryland Secretary of State's Office takes its role in protecting the public's trust in charity seriously," **said Secretary Lee**. "Charities that abuse the trust of their donors undercut the public's confidence in charities as a whole, making it harder for well-meaning organizations to perform the invaluable work our communities rely on."

In addition to requiring The Johns Hopkins House, Inc. to shut down, the settlement agreement permanently bans Mr. Brown from charitable soliciting or operating a charitable organization in the State of Maryland. Mr. Brown signed an apology letter to donors and community members acknowledging that he has ceased all charity operations in the State of Maryland. Mr. Brown has denied any wrongdoing as part of this settlement agreement.

In making today's announcement, Attorney General Brown and Secretary Lee thanked Assistant Attorney General Alexander Ayer; Robert Gurley, Investigator, Office of the Secretary of State; and Tricia Templeton, Investigator, Office of the Secretary of State, for their assistance in the investigation and resolution of this matter.

The Office of the Secretary of State registers and regulates all charitable organizations that solicit charitable contributions in Maryland. Together with the assistance of the Maryland Attorney General's Office, the Secretary of State works to ensure that charitable contributions made by Marylanders go to qualified charitable organizations and are used for the intended purpose.

To find out if a charity is registered to solicit in the State of Maryland, check the <u>SoS-Public</u> <u>Registry</u>. To report other suspected violations of charitable giving laws, please call 410-974-5534. More information on charities can be found on the <u>Secretary of State</u>'s charity home page.

For tips on smart giving, please view the Maryland Attorney General's Office Consumer Protection Division publication Consumer's Edge Charitable Giving Tips.

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