Approved June 5, 1975.

## **CHAPTER 386—H.F.No.745**

## [Coded in Part]

An act relating to charitable organizations; solicitation; limitations and prohibitions; amending Minnesota Statutes 1974, Section 309.55, Subdivision 5; and by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1974, Section 309.55, Subdivision 5, is amended to read:

Subd. 5. CHARITABLE ORGANIZATIONS: SOLICITATION: LIM-ITATIONS AND PROHIBITIONS. No charitable organization and no person acting on behalf of a charitable organization shall use or employ any fraud, false pretense, false promise, misrepresentation, misleading statement, misleading name, mark or identification, or deceptive practice, method or device, with the intent that others should rely thereon in connection with any charitable solicitation, including any such actions or omissions designed to confuse or mislead a person to believe that such organization is another organization having the same or like purposes; or to believe that the funds being solicited are or will be used for purposes and programs conducted within or for persons located within the state of Minnesota when such is not the case; or to otherwise present purposes and uses of the funds which are not as provided within the purposes and uses filed upon registration of said organization under this chapter, or if no such registration has been filed, then as provided under the exemption of said organization from federal and state income taxes as an organization formed and operating for charitable purposes as defined herein.

Sec. 2. Minnesota Statutes 1974, Section 309.55, is amended by adding a subdivision to read:

Subd. 7. No moneys solicited within the state by any organization subject to this chapter shall be paid or contributed by the soliciting organization to any other charitable organization not registered under this chapter by which it is controlled or with which it is affiliated by contract, franchise or otherwise, whose purposes, policies, articles or bylaws are in conflict with those of the soliciting organization upon any material matter unless such other organization to which such moneys are to be paid or delivered shall agree to be bound by the purposes, policies, articles and bylaws of the soliciting organization.

Approved June 4, 1975.

Changes or additions indicated by underline deletions by strikeout