

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 924

H.P. 672

House of Representatives, February 11, 1997

An Act to Clarify the Responsibilities of Directors of Nonprofit Corporations.

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative COWGER of Hallowell. (By Request)

2 **Be it enacted by the People of the State of Maine as follows:**

3 **Sec. 1. 13-B MRSA §715**, as enacted by PL 1977, c. 525, §13,
4 is repealed and the following enacted in its place:

6 **§715. Books and records**

8 **1. Recordkeeping.** The directors shall ensure that the
corporation keeps:

10 **A. Correct and complete books and records of account;**

12 **B. Minutes of the proceedings of its members, board of**
14 **directors and committees having any of the authority of the**
board of directors; and

16 **C. At its registered office or principal office in this**
18 **State a record of the names and addresses of its members**
entitled to vote.

20 **2. Inspection of records.** All books and records of a
22 corporation may be inspected by any officer, director, member or
agent or attorney of an officer, director or member for any
24 proper purpose at any reasonable time.

26 **3. Certain records open to public inspection.** Within 10
28 days of receipt of a request, the directors shall make available
to the public any records of the corporation pertaining to
30 expenditure of funds, including funds received from state or
federal government grants, foundation grants, donations or any
32 other source. This subsection does not apply to directors of
corporations receiving funds from the United Way or any successor
organization to the United Way.

34
36 **SUMMARY**

38 This bill requires that corporate records of a nonprofit
40 corporation pertaining to expenditure of funds received from any
source be made available to the public within 10 days of a
42 request. This requirement does not apply to corporations
receiving funding from the United Way or its successors. The
bill makes clear that the directors have principal responsibility
44 for keeping accurate records as well as making the records of
expenditures described in this bill available to the public.