

MAINE STATE LEGISLATURE

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*State Of Maine
121st Legislature*

First Regular Session

Bill Summaries

*Joint Standing Committee
on
Judiciary*

July 2003

Members:

Sen. Peggy A. Pendleton, Chair

Sen. Mary R. Cathcart

Sen. Chandler E. Woodcock

Rep. William S. Norbert, Chair

Rep. Thomas D. Bull

Rep. Deborah L. Simpson

Rep. Stan Gerzofsky

Rep. Philip R. Bennett, Jr.

Rep. Janet T. Mills

Rep. Roger L. Sherman

Rep. Roderick W. Carr

Rep. Brian M. Duprey

Rep. Joan Bryant-Deschenes

Rep. Donna M. Loring

Staff:

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Maine State Legislature



Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

121st Maine Legislature First Regular Session

Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

<i>CARRIED OVER PURSUANT TO HP 1212</i>	<i>Bills carried over to the 2nd Regular Session</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not To Pass report accepted</i>
<i>OTP-ND</i>	<i>Committee report Ought To Pass In New Draft</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PASSED</i>	<i>Joint Order passed in both bodies</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

Please note that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

David C. Elliott, Director
Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Judiciary

LD 1539

An Act To Amend the Laws Relating to Corporations, Limited Partnerships, Limited Liability Companies, Limited Liability Partnerships and Marks

**PUBLIC 344
EMERGENCY**

<u>Sponsor(s)</u> NORBERT		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-419
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LD 1539 proposed to make numerous clarifying, technical and conforming changes to the laws governing trademarks and other business marks and governing all types of business entities. Many of the changes are made to conform to the new Maine Business Corporation Act, Title 13-C, which takes effect July 1, 2003.

Committee Amendment "A" (H-419) proposed to make technical corrections to the bill. It also proposed to clarify the application of the new Maine Revised Statutes, Title 13-C, the revised Maine Business Corporation Act, and to clarify that neither Title 13-C nor its predecessor, Title 13-A, is intended to restate, codify or supplant the business judgment rule.

It also proposed to add a new Part D to the bill and correct cross-references and make conforming changes necessitated by enactment of revised versions of the Maine Business Corporation Act and the Maine Professional Services Corporation Act.

Enacted Law Summary

Public Law 2003, chapter 344 makes numerous changes in the laws governing nonprofit corporations, professional service corporations, partnerships, limited liability partnerships, limited liability companies and trademarks and service marks. Many of the changes are made to provide uniformity between those laws and the newly enacted Maine Business Corporation Act, Title 13-C, which takes effect July 1, 2003.

It changes the standard regarding names to conform to the standards adopted in the new Maine Business Corporation Act, including adopting the standard prohibiting the use of a business name if it is not "distinguishable on the record" from the name of an existing business rather than prohibiting use of a name that is "deceptively similar" to an existing name. It adds definitions; describes the use of extrinsic facts in documents; clarifies certificates of existence, certificates of authority and certificates of fact; clarifies public access to Secretary of State databases and fees for sale of publications. It clarifies the duties of the corporate clerk and the process for changing corporate clerks; clarifies certain provisions relating to series of shares; clarifies shareholder voting requirements; establishes a process to reinstate suspended corporations; and changes the time frame to correct a default before revocation of authority from 30 to 60 days.

The law makes technical corrections to clarify the application of the new Maine Revised Statutes, Title 13-C, the revised Maine Business Corporation Act, and clarifies that neither Title 13-C or its predecessor, Title 13-A, is intended to restate, codify or supplant the business judgment rule, since the elements of the business judgment rule and the circumstances for its application are developed by the courts. It also corrects cross-references and makes conforming changes necessitated by enactment of Public Law 2001, chapter 640, which repealed the Maine Revised Statutes, Title 13-A and replaced it with Title 13-C, the "Maine Business Corporation Act" and repealed Title 13, chapter 22 and replaced it with Title 13, chapter 22-A, the "Maine Professional Service Corporation Act."

Public Law 2003, chapter 344 was enacted as an emergency measure effective July 1, 2003.