

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 523

H. P. 394

House of Representatives, January 31, 1973

Referred to Committee on Judiciary. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Bunker of Gouldsboro.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Clarifying the Laws Relating to Corporations
Without Capital Stock.

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

Sec. 1. R. S., T. 13, § 934, amended. The first sentence of section 934 of Title 13 of the Revised Statutes as last repealed and replaced by section 1 of chapter 373 of the public laws of 1971, is amended to read as follows:

In addition to any other method provided by law, a corporation organized without capital stock may change the number of its officers, directors, trustees or managing board, however designated, and, if not specially chartered, change its purposes by altering, abridging or enlarging the same, and make any other changes in its certificate of organization as originally filed or subsequently amended that may be desired, provided such changes would be proper to insert in an original certificate of organization and, further provided that section 934-A, if applicable, has been complied with by said corporation.

Sec. 2. R. S., T. 13, § 934, amended. Section 934 of Title 13 of the Revised Statutes as repealed and replaced by section 1 of chapter 373 and as amended, both by the public laws of 1971, is further amended by adding at the end a new sentence to read as follows:

A corporation organized without capital stock must include, as part of the certificate required by law to be filed for the purpose of changing its chartered purposes, a certification as to whether or not said corporation is or has been the recipient of funds or other property, in trust or otherwise, any part of which is being used or is being held for future use, in accordance with the

intent of the donor thereof, for one or more of the existing chartered purposes of said corporation.

Sec. 3. R. S., T. 13, § 934-A, additional. Title 13 of the Revised Statutes is amended by adding a new section 934-A, to read as follows:

§ 934-A. Court determination

A corporation organized without capital stock which is or has been the beneficial recipient of funds or other property, in trust or otherwise, any part of which is being used or is being held for future use, in accordance with the intent of the donor thereof, for one or more of the existing chartered purposes of said corporation, may only change its purposes, as provided in section 934, after a final determination has been made by a court of competent jurisdiction that such funds or other property may continue to be used by said corporation for one or more of its purposes which will exist after the proposed change in said purposes. Attested copies of such court determinations relative to all such funds and property must be attached to the certificate of change of corporate purposes when it is filed pursuant to section 934.

Should a court of competent jurisdiction determine that such a corporation may not continue to use certain funds or property for one or more of its purposes after said change, said corporation may not so change its purposes until such time as it has divested itself of all beneficial interest in said funds or property and certification thereof is filed by said corporation with its certificate of change of corporate purposes.

Sec. 4. R. S., T. 14, § 5956-A, additional. Title 14 of the Revised Statutes is amended by adding a new section 5956-A, to read as follows:

§ 5956-A. Corporations without capital stock

Any corporation organized without capital stock which is or has been the beneficial recipient of funds or other property, in trust or otherwise, any part of which is being used or is being held for future use, in accordance with the intent of the donor thereof, for one or more of the existing chartered purposes of said corporation may, in accordance with Title 13, section 934-A, have determined whether or not such funds or property may continue to be used by said corporation for one or more of its purposes which will exist after a change in said purposes which it proposes to make pursuant to Title 13, section 934.

STATEMENT OF FACT

It is the intent of this Act to amend the law relating to change of corporate purposes to provide greater assurance that a donor's funds or property will be applied in the manner intended by a corporation which is the recipient of such funds or property for use for one or more of that corporation's chartered purposes.