

FIRST SPECIAL SESSION

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 2297

S. P. 803

In Senate, January 3, 1974

Referred to the Committee on Legal Affairs. Sent down for concurrence and ordered sent forthwith.

HARRY N. STARBRANCH, Secretary Presented by Senator Joly of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-FOUR

AN ACT Relating to Use of Name of the State by Nonprofit Corporations.

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

R. S., T. 13, § 982, amended. Section 982 of Title 13 of the Revised Statutes is amended to read as follows:

§ 982. Use of state name; forfeiture of appropriation

No charitable institution or association of a private or of a semipublic nature, incorporated by special act Act of the Legislature or organized in conformity with section 901 after the 11th day of July, 1913, shall use the name of the State in its title without the approval of the Secretary of State. The Secretary of State shall grant such approval only if such institution or association performs functions of a statewide nature or of benefit to the State as a whole, or, when the title requested includes the name of the State only in reference to a region of the State, only if such institution or association performs functions throughout the region or of benefit to the region as a whole, and only if the title of such institution or association would not be the same as, or deceptively similar to, the name of any department, bureau or other agency of the State of Maine. The Secretary of State may issue appropriate rules and regulations to administer this section. The members of any existing voluntary association established prior to said day the 11th day of July, 1913 and theretofore using the name of the State in its title may, subsequent to said day, incorporate under the same title in conformity with said section 901. Any charitable institution or association of a private or semipublic nature to which the Legislature has granted the right to use the name of the

State in its title may continue to do so. If, upon complaint by any person, the Governor and Council, after notice and hearing, find that any institution or association has violated this section, such institution or association shall forfeit its right to any appropriation from the State.

STATEMENT OF FACT

Section 982 now prevents the use of the name of the State in the titles of nonprofit charitable corporations, to prevent confusion in the public mind between such corporations and agencies of State Government with similar titles or purposes. However, many bills (16 in the regular session of the 106th Legislature) are filed in the Legislature in each session requesting the right to use the name of the State in such titles and these take up legislative time and expense. The purpose of this bill is to save time and expense by granting the Secretary of State the authority, with sufficient guidelines from the Legislature, to authorize the use of the name of the State.