

MAINE STATE LEGISLATURE

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(After Deadline)
FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1513

S. P. 542

In Senate, April 1, 1981

Approved by a Majority of the Legislative Council pursuant to Joint Rule 27.

Referred to the Committee on Business Legislation. Sent down for concurrence and ordered printed.

MAY M. ROSS, Secretary of the Senate

Presented by Senator Clark of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Amend the Maine Nonprofit Corporation Act.

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

Sec. 1. 13-B MRSA § 709, sub-§ 1, as enacted by PL 1977, c. 525, § 13, is amended to read:

1. **Executive committee.** If the articles of incorporation or the bylaws so provide, the board of directors, by a resolution adopted by a majority of the full board of directors, may designate from among its members an executive committee ~~and other committees, each~~ consisting of 2 or more directors, and may delegate to such ~~executive committee or committees~~ all the authority of the board of directors, except that no such ~~executive committee or committees~~ shall have or exercise the authority of the board of directors to:

- A. Amend the articles of incorporation;
- B. Adopt a plan of merger or consolidation;
- C. Recommend to the members the sale or other disposition of all or substantially all of the property and assets of the corporation other than in the usual course of its business;
- D. Recommend to the members voluntary dissolution of the corporation or revocation of such dissolution; or

E. Amend the bylaws of the corporation.

Sec. 2. 13-B MRSA § 709, sub-§ 1-A is enacted to read:

1-A. Other committees. If the articles of incorporation or the bylaws so provide, the board of directors may designate such other committees as the board deems necessary, which committees may consist of either members of the board or other persons as designated in the bylaw or resolution authorizing that committee.

Sec. 3. 13-B MRSA § 709, sub-§ 4, first sentence, as enacted by PL 1977, c. 525, § 13, is amended to read:

At the time an executive committee or any other committee is created, or at any time thereafter, the board of directors may designate ~~from among its members~~ one or more alternate members of such committee, and may specify their order of preference.

STATEMENT OF FACT

It is the intent of this bill to revise Title 13-B, section 709 to provide that an executive committee must be composed only of members of the board of directors, since it can act for the board between meetings, and to provide that nonboard members may serve on any other committees as authorized by the bylaws or by the resolution creating the committee.