

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 720

S.P. 274

In Senate, March 13, 1989

Reference to the Committee on Judiciary suggested and ordered printed.

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator BRANNIGAN of Cumberland.

Cosponsored by Senator ERWIN of Oxford, Representative CLARK of Millinocket and Representative PARADIS of Augusta.

STATE OF MAINE

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

An Act to Clarify the Immunity Provisions for Nonprofit Corporations.



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

3 14 MRSA §158-A, sub-§1, ¶A, as enacted by PL 1987, c. 646,
5 §2, is amended to read:

7 A. "Charitable organization" means any nonprofit
9 organization organized or incorporated in this State or
11 having a principal place of business in this State:

13 (1) That is exempt from federal income taxation under
15 the United States Internal Revenue Code, Section
17 501(a), because as it is described in Section
19 501(c)(3), (4), (6) as it pertains to chambers of
21 commerce only or organizations whose members are
23 substantially municipalities, quasi-municipal
25 corporations or representatives of these organizations,
27 (10), (13) or (14)(A), including all subsequent
amendments to those paragraphs. For purposes of this
section, "substantially" refers to organizations whose
municipal or quasi-municipal members are at least 90%
of the total membership. An organization is included
in this subparagraph if it would be exempt from
taxation under Section 501(c)(3) but for its engaging
in attempting to influence legislation to the extent
that it is disqualified from tax exemption under
Section 501(c)(3); or

29 (2) That is:

31 (a) Organized under the Maine Nonprofit
33 Corporation Act for any of the purposes listed in
Title 13-B, section 201, subsection 1, paragraph A;

35 (b) Organized under the provisions set forth in
Title 13-B, section 201, subsection 2, paragraph
37 A; or

39 (c) Organized under the provisions of Title 13-B,
section 201, subsection 3, paragraph D or E.

41 This subparagraph applies to all subsequent amendments
43 to the statutes covered by divisions (a), (b) and (c).

45
47 **STATEMENT OF FACT**

49 This bill amends the definition of "charitable organization"
51 so that the protection from civil liability which exists for
directors and officers of other nonprofit corporations will be
extended to nonprofit municipal and quasi-municipal trade
associations.