

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1517

H.P. 1109

House of Representatives, April 2, 2003

**An Act To Make Necessary Technical Changes Relating to the
Maine Business Corporation Act and the Maine Professional Service
Corporation Act**

(EMERGENCY)

Reported by Representative NORBERT of Portland for the Joint Standing Committee on
Judiciary pursuant to Public Law 2001, chapter 640, Part B, section 6.

Reference to the Committee on Judiciary suggested and ordered printed under Joint Rule
218.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

2 **Emergency preamble.** Whereas, Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4
6 **Whereas,** this Act corrects references to statutes that are
repealed effective July 1, 2003; and

8 **Whereas,** the corrected references must take effect on July
1, 2003; and

10
12 **Whereas,** in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
14 necessary for the preservation of the public peace, health and
safety; now, therefore,

16
18 **Be it enacted by the People of the State of Maine as follows:**

20 **Sec. 1. 7 MRSA §1015, first ¶,** as amended by PL 1971, c. 622,
§21, is further amended to read:

22 The applicant shall file an application on forms as
prescribed and furnished by the commissioner, which ~~forms shall~~
24 must contain the full name of the person applying for such the
license, and, if the applicant be is a corporation, partnership,
26 association, exchange, or legal representative ~~or,~~ officer,
director, partner or member ~~thereof~~ of a corporation,
28 partnership, association or exchange, all such names and
positions ~~are to be stated on the application.~~ If the applicant
30 is a foreign corporation, it shall certify that it is ~~registered~~
~~with the Secretary of~~ authorized to transact business in the
32 State under ~~former~~ Title 13-A, chapter 12 or Title 13-C, chapter
15, and further state the principal business address of the
34 applicant in the State ~~of Maine~~ or elsewhere, the address of all
places of business in the State ~~of Maine,~~ and the name or names
36 of the person or persons authorized to receive and accept service
of lawful process upon the applicant within the State ~~of Maine.~~
38 All questions required to be answered in the application for
licenses ~~shall~~ must be sworn to, and intentionally untruthful
40 answers ~~shall~~ constitute the crime of perjury.

42 **Sec. 2. 9-B MRSA §314-A, sub-§1, ¶A,** as enacted by PL 1997, c.
398, Pt. C, §12, is repealed and the following enacted in its
44 place:

46 A. The articles of incorporation must contain the following
statement:

48 "The purpose of this corporation is to conduct the business
50 of a financial institution as limited by the Maine Revised

2 Statutes, Title 9-B or any rules, orders or certificates
3 under Title 9-B."

4 Articles of incorporation or amendments to articles of
5 incorporation must have the prior written approval of the
6 superintendent.

8 **Sec. 3. 9-B MRSA §323, sub-§3**, as enacted by PL 1975, c. 500,
9 §1, is amended to read:
10

11 **3. Submission to Secretary of State.** Following the meeting
12 required under subsection 2, the directors so elected shall
13 submit an attested copy of the institution's articles of
14 incorporation to the Secretary of State, who shall determine
15 whether such articles satisfy the filing requirements of Title
16 13-A 13-C. If such filing requirements are met and the
17 superintendent has approved said articles, the Secretary of State
18 shall file the articles of incorporation pursuant to Title 13-A,
19 ~~chapter--4~~ 13-C, chapter 1, subchapter 2. The filing of the
20 articles of incorporation by the Secretary of State ~~shall~~ does
21 not authorize the transaction of business by the financial
22 institution until all conditions of this section are satisfied.

24 **Sec. 4. 9-B MRSA §327, first ¶**, as enacted by PL 1975, c. 500,
25 §1, is amended to read:
26

27 Except as provided in this section, the powers and duties of
28 officers and directors of a financial institution organized under
29 this chapter ~~shall~~ must be pursuant to Title 13-A 13-C.
30

31 **Sec. 5. 9-B MRSA §327, sub-§3, ¶C**, as amended by PL 1979, c.
32 663, §38, is further amended to read:

33 C. The clerk or secretary shall exercise the following
34 powers.
35

36 (1) The clerk or secretary shall record or cause to be
37 recorded the proceedings and actions of all meetings of
38 the corporators, members or directors, and give or
39 cause to be given all notices required by law or action
40 of the directors for which no other provision is made.
41 If no person is elected to this office, the treasurer,
42 or in ~~his~~ the treasurer's absence another officer of
43 the institution designated by the directors, ~~shall~~ must
44 be ex officio clerk of the institution and of the
45 directors.
46

47 (2) Within 30 days after the annual meeting of the
48 board for election of officers, the clerk shall cause
49 to be published in a local newspaper of general
50

2 circulation in the county where the institution's
3 principal office is located, or in such other
4 newspapers as the superintendent may designate, a list
5 of the officers and directors thereof of the
6 institution. ~~He~~ The clerk shall return a copy of such
7 the list of officers and directors to the
8 superintendent within said that 30 days, which shall
9 must be kept on file in the superintendent's office for
10 public inspection.

11 (3) The clerk or secretary, in the absence of a
12 provision in the bylaws to the contrary, shall perform
13 the functions of clerk in accordance with Title 13-A,
14 ~~section-304~~ 13-C.

15 **Sec. 6. 10 MRSA §1521, sub-§2**, as amended by PL 1993, c. 316,
16 §2, is further amended to read:

17 **2. Corporate name.** "Corporate name" includes any corporate
18 name, reserved name, registered name or assumed or fictitious
19 name as those terms are used in Title 13-A 13-C, sections 301
20 401, 302 402, 303 403 and 307 404 respectively and includes any
21 corporate name, reserved name, registered name or assumed name as
22 those terms are used in Title 13-B, sections 301, 302, 303 and
23 308 respectively.

24 **Sec. 7. 13 MRSA §337**, as amended by PL 1971, c. 565, §1, is
25 further amended to read:

26 **§337. Books produced for trial; refusal**

27 When a suit or prosecution is pending for a violation,
28 either of sections 334 to 336 or to enforce the liabilities
29 created by Title 13-A 13-C, ~~section 624 or section 720~~ 833, the
30 clerk or person having custody of the books of the corporation
31 shall, upon reasonable written notice, produce them on trial; and
32 for neglect or refusal to do so, ~~he~~ the person is liable to the
33 same fine or imprisonment as the party on trial would be.

34 **Sec. 8. 13 MRSA §741, sub-§1, ¶A-1** is enacted to read:

35 A-1. Nonlicensed individuals authorized to organize with
36 licensed individuals pursuant to section 732, subsection 3;

37 **Sec. 9. 13 MRSA §1978, sub-§§2 and 4**, as enacted by PL 1983, c.
38 136, are amended to read:

39 **2. Payment.** Each member of an employee cooperative
40 corporation ~~shall~~ must be issued a membership share upon payment
41 of a membership fee, the amount of which ~~shall~~ must be determined
42

2 from time to time by the directors. Title ~~13-A, section 505,~~
3 13-C, section 621 does not apply to membership shares.

4 **4. Voting stock limited.** Unless otherwise provided in this
5 subchapter or in the articles of incorporation of an employee
6 cooperative, no other capital stock other than membership shares
7 may have voting power. In the event that proposed amendments to
8 the articles of incorporation would adversely affect any
9 nonvoting class of shareholders, such action may not be taken
10 without the vote of those shareholders, as provided in Title ~~13-A~~
11 13-C, sections ~~805 1003~~ and ~~806 1004~~.

12 **Sec. 10. 13 MRSA §1979**, as enacted by PL 1983, c. 136, is
13 amended to read:

14 **§1979. Amendment of bylaws**

15 The bylaws of an employee cooperative may only be amended by
16 members, except as provided in Title ~~13-A 13-C~~, section ~~602 207~~.

17 **Sec. 11. 13 MRSA §1982, sub-§4**, as enacted by PL 1983, c. 136,
18 is amended to read:

19 **4. Exceptions.** Title ~~13-A 13-C~~, section ~~909, 1302~~ does not
20 apply to an internal capital account cooperative.

21 **Sec. 12. 13-B MRSA §202, sub-§1, ¶¶K and L**, as enacted by PL
22 1977, c. 525, §13, are amended to read:

23 K. To enter into contracts of guaranty or suretyship,
24 unless in doing so the corporation would be engaging in an
25 activity prohibited to business corporations organized under
26 Title ~~13-A, section 401~~ 13-C;

27 L. To lend money, invest its funds from time to time, and
28 take and hold any property, including, but not limited to,
29 real property, as security for payment of funds so loaned or
30 invested, unless in doing so the corporation would be
31 engaging in a business prohibited to business corporations
32 organized under Title ~~13-A, section 401~~ 13-C;

33 **Sec. 13. 13-B MRSA §301, sub-§1, ¶B**, as amended by PL 1993, c.
34 316, §31, is further amended to read:

35 B. May not be the same as, or deceptively similar to, the
36 name of any domestic business or nonprofit corporation
37 existing under the laws of this State or any foreign
38 corporation authorized to transact business or foreign
39 nonprofit corporation authorized to carry on activities in
40 this State, or a name the exclusive right to which is, at
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2 the time, reserved in the manner provided in this Act, or in
Title ~~13-A~~ 13-C, section ~~302~~ 402, or the name of a business
4 or nonprofit corporation ~~which~~ that has in effect a
registration of its corporate name, or the assumed or
6 fictitious name of a business corporation as provided for in
Title ~~13-A~~ 13-C, section ~~307~~ 404, or the assumed name of a
nonprofit corporation as provided in section 308, unless:

8
10 (1) The other corporation executes and files with the
Secretary of State, as provided in sections 104 and
12 106, ~~or in Title 13-A, sections 104 and 106~~, proof of a
resolution of its board of directors authorizing the
14 use of a similar name by the corporation seeking to use
the similar name; or

16 (2) A foreign corporation seeking to file under a
similar or identical name executes and files with the
18 Secretary of State, as provided in sections 104 and
20 106, proof of a resolution of its board of directors
that it will not carry on activities under that similar
22 or identical name, but instead will carry on activities
under an assumed name, as provided for in section 308;

24 **Sec. 14. 13-C MRSA §603, sub-§2**, as enacted by PL 2001, c.
26 640, Pt. A, §2 and affected by Pt. B, §7, is amended to read:

28 **2. Limitations on reacquisition, redemption or conversion.**
The reacquisition, redemption or conversion of outstanding shares
is subject to the limitations of subsection 3 and to section ~~6-40~~
30 651.

32 **Sec. 15. 24-A MRSA §3486, sub-§6**, as enacted by PL 1977, c.
34 377, is amended to read:

36 **6.** A dissenting shareholder shall file, within 20 days
after the delivery to him that shareholder of either a copy of
the plan or a summary ~~thereof~~ of the plan pursuant to subsection
38 4, a written notice of his the shareholder's election to dissent
from the plan and a demand for payment of the fair value of his
40 the shareholder's shares. ~~Such~~ The notice and demand shall must
be filed with the company ~~which~~ that adopted the plan by
42 personally delivering it, or by mailing it via certified or
registered mail, to ~~such~~ the company ~~at its registered office~~
44 ~~within this State or to its principal place of business or to the~~
~~address given to the Secretary of State pursuant to Title 13-A,~~
46 ~~section 906, subsection 4, paragraph B~~ as provided in Title 13-C,
section 103, subsection 4.

48 **Sec. 16. 24-A MRSA §3486, sub-§10**, as enacted by PL 1977, c.
50 377, is repealed.

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Sec. 17. 24-A MRSA §3486, sub-§10-A is enacted to read:

10-A. If, within the additional 20-day period prescribed by subsection 9, one or more dissenting shareholders and the company have failed to agree as to the fair value of the shares, then the following applies.

A. The company adopting the plan under subsection 2 may, or shall, if it receives a demand as provided in subparagraph (1), bring an action in the Superior Court in the county in this State where the registered office of the company is located asking the court to determine the fair value of the shares. If the parent corporation that adopted the plan is neither a domestic corporation nor an authorized insurer, the action may be brought in the county where the registered office of the domestic stock insurance company is located. The company that adopted the plan pursuant to subsection 2:

(1) Must bring an action within 30 days after receipt of a demand for suit from any dissenting shareholder, if the demand is made within 60 days after the date on which the company adopted the plan pursuant to subsection 2; or

(2) In the absence of a demand for suit, may bring the action at any time from the expiration of the additional 20-day period prescribed by subsection 9 until the expiration of 60 days after the date on which the company adopted the plan pursuant to subsection 2.

B. If the company does not institute an action within the period specified in paragraph A, a dissenting shareholder may thereafter bring such an action in the name of the company.

C. No action may be brought, either by the company or by a dissenting shareholder, more than 6 months after the date on which the plan or a summary of the plan was delivered as provided in subsection 4.

D. In any such action, whether initiated by the company or by a dissenting shareholder, all dissenting shareholders, wherever residing, except those who have agreed with the company upon the price to be paid for their shares, must be made parties to the proceeding as an action against their shares quasi in rem. A copy of the complaint must be served on each dissenting shareholder who is a resident of this State as in other civil actions, and must be served by registered or certified mail, or by personal service outside

2 the State, on each dissenting shareholder who is a
nonresident. The jurisdiction of the court is plenary and
4 exclusive.

6 E. The court shall determine whether each dissenting
shareholder, as to whom the company requests a
8 determination, has satisfied the requirements of this
section and is entitled to receive payment for the shares.
10 As to any dissenting shareholder with respect to whom the
corporation makes such a request, the burden is on the
12 shareholder to prove that the shareholder is entitled to
receive payment. The court shall then proceed to fix the
14 fair value of the shares. The court may, if it so elects,
appoint one or more persons as appraisers to receive
16 evidence and recommend a decision on the question of fair
value. The appraisers have such power and authority as is
18 specified in the court order appointing them or in any
amendment of the order.

20 F. All shareholders who are parties to the proceeding are
entitled to judgment against the company for the amount of
22 the fair value of their shares, except for any shareholder
whom the court determines not to be entitled to receive
24 payment. The judgment is payable only upon and concurrently
with the surrender to the company of the certificate or
26 certificates representing the shares. Upon payment of the
judgment, the dissenting shareholder ceases to have any
28 interest in the shares.

30 G. The judgment must include an allowance for interest at
such rate as the court may find to be fair and equitable in
32 all the circumstances, from the date on which the plan was
adopted pursuant to subsection 2 to the date of payment. If
34 the court finds that the refusal of any shareholder to
accept the company's offer of payment for shares was
36 arbitrary, vexatious or not in good faith, it may in its
discretion refuse to allow interest to that person.

38 H. The costs and expenses of any such proceeding must be
40 determined by the court and assessed against the company,
but all or any part of such costs and expenses may be
42 apportioned and assessed as the court considers equitable
against any or all of the dissenting shareholders who are
44 parties to the proceeding if the company made an offer to
pay for the shares and the court finds that the action of
46 the shareholders in failing to accept the offer was
arbitrary or vexatious or not in good faith. Expenses
48 include reasonable compensation for and reasonable expenses
of the appraisers, but excludes the fees and expenses of
50 counsel for any party and excludes the fees and expenses of

2 experts employed by any party, unless the court otherwise
4 orders for good cause. If the fair value of the shares as
6 determined materially exceeds the amount that the company
8 offered to pay for them, or if no offer was made, the court
10 in its discretion may award to any shareholder who is a
12 party to the proceeding such sum as the court may determine
14 to be reasonable compensation to any expert or experts
16 employed by the shareholder in the proceeding and may, in
18 its discretion, award to any shareholder all or part of the
20 attorney's fees and expenses incurred by that shareholder.

22 I. At all times during the pendency of any such proceeding,
24 the court may make any and all orders that may be necessary
26 to protect the company or the dissenting shareholders or
28 that are otherwise just and equitable. Such orders may
30 include, without limitation, orders:

32 (1) Requiring the company to pay into court, or post
34 security for, the amount of the judgment or its
36 estimated amount, either before final judgment or
38 pending appeal;

40 (2) Requiring the deposit with the court of
42 certificates representing shares held by the dissenting
44 shareholders;

46 (3) Imposing a lien on the property of the company to
48 secure the payment of the judgment, which lien may be
50 given priority over liens and encumbrances contracted
52 after the vote adopting the plan pursuant to subsection
54 2; and

56 (4) Staying the action pending the determination of
58 any similar action pending in another court having
60 jurisdiction.

62 J. In the case of a shareholder who is a minor or otherwise
64 legally incapacitated, the notice and demand required by
66 subsection 6 may be made either by the shareholder,
68 notwithstanding legal incapacity, or by the shareholder's
70 guardian or by any person acting for the shareholder as next
72 friend. Such shareholder is bound by the time limitations
74 set forth in this section, notwithstanding the shareholder's
76 legal incapacity.

78 K. Appeals lie from judgments in actions brought under this
80 subsection as in other civil actions in which equitable
82 relief is sought.

2 L. An action by a shareholder in the right of the company
4 is not abated or barred by the fact that the shareholder has
filed a demand for payment of the fair value of shares
pursuant to this subsection.

6 **Sec. 18. 24-A MRSA §3486, sub-§§11, 12 and 14**, as enacted by PL
8 1977, c. 377, are amended to read:

10 **11.** If no action to determine the fair value of the shares
12 of the dissenting shareholder is commenced within the time
14 specified in ~~Title-13-A,--section-909,--subsection-9,~~ subsection
16 10-A, paragraph C, then the dissenting shareholder shall receive
18 the consideration ~~which that~~ that was specified as payment in exchange
20 for his ~~that shareholder's~~ that shareholder's shares pursuant to the plan. ~~Sueh~~ The
consideration shall must be paid by the company within 60 days
after the time within which an action can be commenced as
specified in ~~Title-13-A,--section-909,--subsection-9,~~ subsection
10-A, paragraph C. Upon payment of ~~sueh~~ the consideration, the
dissenting shareholder shall ~~cease~~ ceases to have any an interest
in ~~sueh~~ the shares.

22 **12.** If the court determines pursuant to ~~Title-13-A,--section~~
24 ~~909,--subsection-9~~ subsection 10-A, paragraph E that a shareholder
is not entitled to receive payment of the fair value of his ~~that~~
26 shareholder's shares because of his ~~that shareholder's~~ shareholder's failure to
satisfy the requirements of ~~Title-13-A,--section-909-and-of~~ this
28 section, then the shareholder shall must receive the
consideration ~~which that~~ that was specified as payment in exchange for
his ~~that shareholder's~~ that shareholder's shares pursuant to the plan. ~~Sueh~~ The
30 payment shall may not include the allowance for interest
32 specified in ~~Title-13-A,--section-909,--subsection-9~~ subsection
10-A, paragraph G.

34 **14.** ~~The provisions of Title-13-A,--section-525,--regarding~~
36 ~~unclaimed-dividends-and-other-distributions-to-shareholders-shall~~
apply Title 33, chapter 41 applies to any unclaimed payment to
which a shareholder may be entitled under this section.

38 **Sec. 19. 31 MRSA §282, sub-§5-A**, as enacted by PL 1995, c.
40 633, Pt. A, §1, is amended to read:

42 **5-A. Professional limited liability partnership.**
44 "Professional limited liability partnership" means a registered
46 limited liability partnership that, by virtue of the business
conducted by it, would be ~~subject-to-the~~ required to incorporate
48 under the Maine Professional Service Corporation Act if that
partnership were a corporation.

50 **Sec. 20. 31 MRSA §418**, as enacted by PL 1999, c. 638, §13, is
amended to read:

2 **§418. Conversion of limited partnership**

4 **1. Definitions.** For purposes of this section, "business
6 entity" means any association or legal entity organized to
8 conduct business, including a domestic or foreign corporation,
10 limited liability company, limited partnership, general
12 partnership, limited liability partnership, joint venture, joint
14 stock company and business trust.

10 **2. Authority.** A ~~business-entity~~ limited partnership may
12 convert to another type of business entity by complying with the
14 requirements of section 419 and Title 13-A, section 912 13-C,
16 chapter 9, subchapter 4.

16 **Sec. 21. 31 MRSA §611, first ¶,** as repealed and replaced by PL
18 1995, c. 633, Pt. C, §16, is amended to read:

20 A limited liability company may be organized under this
22 chapter for any lawful purpose. If the purpose for which a
24 limited liability company is organized or its form makes it
26 subject to a special provision of law, the limited liability
28 company shall also comply with that provision. This section is
30 specifically intended to permit the formation of a professional
32 limited liability company by a person or persons who may form a
34 professional corporation under the Maine Professional Service
36 Corporation Act. The provisions of that Act are incorporated in
38 this chapter by reference, except as follows.

30 **Sec. 22. 31 MRSA §746,** as enacted by PL 1999, c. 638, §34, is
32 amended to read:

32 **§746. Conversion of limited liability company**

34 **1. Definitions.** For purposes of this section, "business
36 entity" means any association or legal entity organized to
38 conduct business, including a domestic or foreign corporation,
40 limited liability company, limited partnership, general
42 partnership, limited liability partnership, joint venture, joint
44 stock company and business trust.

42 **2. Authority.** A ~~business-entity~~ limited liability company
44 may convert to another type of business entity by complying with
46 the requirements of section 747 and Title 13-A, section 912 13-C,
48 chapter 9, subchapter 4.

46 **Sec. 23. 32 MRSA §1081, sub-§4,** as amended by PL 1993, c. 600,
48 Pt. A, §63, is further amended to read:

50 **4. Corporations; names.** A corporation may not practice,
52 offer or undertake to practice or hold itself out as practicing

dentistry. Every person practicing dentistry as an employee of another shall cause that person's name to be conspicuously displayed and kept in a conspicuous place at the entrance of the place where the practice is conducted. This subsection does not prohibit a licensed dentist from practicing dentistry as an employee of another licensed dentist in this State, as an employee of a nonprofit corporation, as an employee of a state hospital or state institution where the only remuneration is from the State or from a corporation that provides dental service for its employees at no profit to the corporation. This subsection does not prohibit the practice of dentists who have incorporated their practices ~~as permitted by~~ pursuant to Title 13, chapter 22 22-A.

Sec. 24. 32 MRSA §12252, sub-§3, as amended by PL 2001, c. 260, Pt. F, §2, is further amended to read:

3. Firm permits. ~~Notwithstanding Title 13, section 710 and Title 31, section 611, the~~ The following provisions apply to the issuance of firm permits.

A. An applicant for initial issuance or renewal of a permit to practice under this section shall show that a simple majority of the ownership of the firm, in terms of financial interests and voting rights of all partners, officers, shareholders, members or managers, belongs to holders of certificates who are licensed in a state and that all partners, officers, shareholders, members or managers whose principal place of business is in this State or who perform professional services in this State hold valid individual permits issued by the board. Firms may include nonlicensee owners in accordance with paragraph B.

B. A certified public accountancy firm or public accountancy firm may include nonlicensee owners as long as:

(1) All nonlicensee owners are individuals who actively participate in the certified public accountancy firm or public accountancy firm; and

(2) The firm complies with such other requirements as the board may impose by rule.

Sec. 25. 35-A MRSA §2110, sub-§2, as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:

2. The commission's powers and limitations. The commission's powers and limitations, made applicable under this section, are those applicable by law in like cases concerning public utilities organized under Title ~~13-A~~ 13-C or any prior general corporation law.

2 **Sec. 26. 35-A MRSA §3204, sub-§7**, as enacted by PL 1997, c.
316, §3, is amended to read:

4
6 **7. Corporate law; exemptions.** An order of the commission
directing or approving divestiture renders an electric utility
and its directors, officers and shareholders exempt from Title
8 ~~13-A 13-C, sections 514, 517, 624 and 720~~ section 651 and from
the Uniform Fraudulent Transfer Act, Title 14, chapter 504 for
10 the matters addressed by the order. A divestiture pursuant to a
commission order directing or approving the divestiture ~~does not~~
12 ~~constitute a sale of all or substantially all of the assets of a~~
~~corporation within the meaning of Title 13-A, chapter 10~~ is not
14 subject to limitations contained in the corporation's articles of
incorporation and, notwithstanding Title 13-C, chapter 12, does
16 not require shareholder approval.

18 **Sec. 27. 35-A MRSA §4502, sub-§1**, as enacted by PL 1987, c.
141, Pt. A, §6, is amended to read:

20 **1. Organization of corporations to construct pipelines.**
Corporations for the purpose of constructing and operating
22 natural gas pipelines may be organized under Title ~~13-A 13-C~~.
Following organization under ~~former~~ Title 13-A or Title 13-C, the
24 corporation has all the other rights, privileges and immunities
of a legal corporation organized under Title ~~13-A 13-C~~, except as
26 they are inconsistent with this chapter.

28 **Sec. 28. 36 MRSA §4641-C, sub-§7**, as amended by PL 1999, c.
30 638, §44, is further amended to read:

32 **7. Deeds pursuant to mergers or consolidations.** Deeds made
pursuant to mergers or consolidations ~~of business entities, as~~
34 ~~defined in Title 13-A, section 912~~ carried out pursuant to Title
13-C, chapter 11, from which no gain or loss is recognized under
36 the Internal Revenue Code;

38 **Sec. 29. 39-A MRSA §102, sub-§11, ¶A**, as amended by PL 2001,
c. 710, §18 and affected by §19, is amended by amending
40 subparagraph (4) to read:

42 (4) Except for persons engaged in harvesting of forest
products, any person who, in a written statement to the
44 board, waives all the benefits and privileges provided
by the workers' compensation laws, provided that the
46 board has found that person to be a bona fide owner of
at least 20% of the outstanding voting stock of the
48 corporation by which that person is employed or a
shareholder of the professional corporation by which
50 that person is employed and that this waiver was not a
prerequisite condition to employment. For the purposes

2 of this subparagraph, the term "professional
corporation" ~~has the same meaning as found~~ means a
4 domestic or foreign professional corporation as defined
in Title 13, section 703 ~~723~~, ~~subsection 1~~.

6 Any person may revoke or rescind that person's waiver
upon 30 days' written notice to the board and that
8 person's employer. The parent, spouse or child of a
person who has made a waiver under the previous
10 sentence may state, in writing, that the parent, spouse
or child waives all the benefits and privileges
12 provided by the workers' compensation laws if the board
finds that the waiver is not a prerequisite condition
14 to employment and if the parent, spouse or child is
employed by the same corporation that employs the
16 person who has made the first waiver;

18 **Sec. 30. 39-A MRSA §324, sub-§3, ¶C**, as enacted by PL 1991, c.
885, Pt. A, §8 and affected by §§9 to 11 and amended by PL 1999,
20 c. 547, Pt. B, §78 and affected by §80, is further amended to
read:

22 C. The employer, if organized as a corporation, is subject
24 to administrative dissolution as provided in Title 13-C,
section 1421 or revocation or suspension of its authority to
26 do business in this State as provided in Title 13-A 13-C,
section 1302 1532. The employer, if licensed, certified,
28 registered or regulated by any board authorized by Title 5,
section 12004-A or whose license may be revoked or suspended
30 by proceedings in the District Court or by the Secretary of
State, is subject to revocation or suspension of the
32 license, certification or registration.

34 **Emergency clause.** In view of the emergency cited in the
preamble, this Act takes effect July 1, 2003.
36

38 SUMMARY

40 Public Law 2001, chapter 640 repealed Title 13-A and
replaced it with Title 13-C, the "Maine Business Corporation Act"
42 and repealed Title 13, chapter 22 and replaced it with Title 13,
chapter 22-A, the "Maine Professional Service Corporation Act."
44 This bill corrects cross-references and makes conforming changes
necessitated by enactment of Public Law 2001, chapter 640.