

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Date: (Filing No. S-)

JUDICIARY

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
130TH LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 271, L.D. 683, “An Act To Allow Maine Nonprofit Corporations To Hold Meetings Electronically”

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 13-B MRSA §602, sub-§1, as enacted by PL 1977, c. 525, §13, is amended to read:

1. Where held; remote communication. Meetings of members, if any, may be held at such place, either within or without this State, as may be provided in the bylaws or at such place reasonably convenient to members, as determined by the board of directors. In the absence of any such provision, all meetings ~~shall~~ must be held at the registered office of the corporation in this State or, in the discretion of the board of directors, a meeting may be held entirely through means of remote communication without a specific site for the meeting or partially through means of remote communication with those members attending in person at the location provided in the meeting notice. The board of directors may, in its discretion, adopt guidelines and procedures authorizing members who are not physically present at a meeting of members to, by means of remote communication:

- A. Participate in a meeting of members; and
- B. Be deemed present in person for quorum purposes and vote at a meeting of members, whether such meeting is to be held at a designated place or entirely or partially through means of remote communication, only if:
 - (1) The corporation has implemented reasonable measures to verify each person participating remotely is a member or proxy holder of a member;
 - (2) The corporation has implemented procedures to accommodate remote communication; and
 - (3) If any member or proxy holder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action is maintained by the corporation.

COMMITTEE AMENDMENT

1 For the purposes of this chapter, "remote communication" means reasonable measures that
2 provide the members or their proxy holders a reasonable opportunity to participate in the
3 meeting and to vote on matters submitted to the members, including an opportunity to
4 communicate and to read or hear the proceedings of the meeting, substantially concurrently
5 with the proceedings, when not attending in person.

6 A nonprofit corporation that receives public funds for any purpose may not conduct
7 member meetings partially or entirely through the use of remote communication.

8 **Sec. 2. 13-B MRSA §604, sub-§5**, as enacted by PL 2019, c. 200, §2, is amended
9 to read:

10 **5. Voting by electronic transmission; voting remotely.** The bylaws may provide,
11 or the board of directors or members may determine, that some or all votes by members, as
12 well as actions taken in accordance with section 606, may be conducted by electronic
13 transmission under procedures established by the corporation. If the board of directors
14 adopts guidelines and procedures under section 602, subsection 1 authorizing members to
15 vote by means of remote communication, votes may be conducted remotely. A vote
16 conducted by electronic transmission or remotely must be filed with the minutes of
17 members' meetings and has the same effect as an in-person vote or a vote by proxy, and
18 votes conducted remotely must be counted for quorum purposes. The members of a
19 nonprofit corporation that receives public funds for any purpose may not vote remotely.'

20 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
21 number to read consecutively.

22 SUMMARY

23 This amendment is the minority report of the committee. It differs from the majority
24 report in that it prohibits nonprofit corporations that receive public funds from conducting
25 meetings or voting using remote communication.

26 Current law provides that a meeting of members of a nonprofit corporation may be held
27 at the location identified in the bylaws or, if no location is specified, at the registered office
28 of the corporation in this State. This amendment authorizes the board of directors to hold
29 a meeting in a place that is reasonably convenient to the members.

30 The bill authorizes the board of directors, in its sole discretion, to hold a meeting of the
31 members entirely remotely. This amendment provides that the board of directors may
32 establish meetings that are entirely remote or partially remote. The amendment also
33 specifies that members participating remotely are counted for quorum purposes. It also
34 defines "remote communication" as reasonable measures that provide the members or their
35 proxy holders a reasonable opportunity to participate in the meeting and to vote on matters
36 submitted to the members, including an opportunity to communicate and to read or hear
37 the proceedings of the meeting, substantially concurrently with the proceedings, when not
38 attending in person.

39 Current law already allows members of nonprofit corporations to vote by electronic
40 transmission. The bill expands that to include voting by means of remote communication.
41 The amendment clarifies that the remote votes must be counted for quorum purposes.