

§194-E. Attorney General approval without court review

1. Filing with Attorney General. To obtain approval of a conversion transaction when the independent appraisal of the fair market value of the assets to be converted is \$50,000 or more but is less than \$500,000, a public charity must file a written request for approval with the Attorney General at least 90 days prior to consummating the transaction. The written request must include a conversion plan, a plan for distributing proceeds of the conversion consistent with section 194-H and any other information reasonably necessary for the Attorney General to complete a review of the transaction. Failure to provide the information described in this subsection in a timely manner is sufficient grounds for the Attorney General to refuse to approve the transaction.

[PL 2001, c. 550, Pt. A, §2 (NEW).]

2. Attorney General approval. The Attorney General shall approve a conversion transaction under subsection 1 if the Attorney General determines that the criteria set forth in section 194-G have been met. The Attorney General shall refuse to approve a transaction if the Attorney General reasonably believes that the fair market value of the transaction is \$500,000 or more.

[PL 2001, c. 550, Pt. A, §2 (NEW).]

3. Public notice. Within 5 days of filing the request for approval under subsection 1, a public charity shall publish notice to the public of its intent to enter into a conversion transaction. Notice must be published once per week for 3 weeks in a newspaper of general circulation in the public charity's service area and must meet the following criteria.

A. A notice under this subsection must describe the proposed transaction, including the parties, the value of the transaction, the timing of the transaction, the potential impact on services to the public and the proposed plan for utilizing the proceeds. The public notice must also provide information on opportunities for the public to provide comment on the proposal to the Attorney General. [PL 2001, c. 550, Pt. A, §2 (NEW).]

B. A notice under this subsection must be published in languages other than English whenever a significant number or percentage of the population eligible to be served or likely to be directly affected by the service or purpose of the public charity needs information in a language other than English to communicate effectively. For the purposes of this paragraph, "significant number" is defined as 5% or 1,000, whichever is less, of the population of persons eligible to be served or likely to be directly affected. [PL 2001, c. 550, Pt. A, §2 (NEW).]

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4. Public comment. The Attorney General shall accept public comments regarding a proposed conversion transaction under this section for a 60-day period commencing the day that proper notice has been provided to the public of the proposed conversion.

[PL 2001, c. 550, Pt. A, §2 (NEW).]

5. Public hearings. The Attorney General may hold public hearings if the Attorney General determines that a conversion transaction under this section is likely to cause a significant impact on access to services in the community served by the public charity.

[PL 2001, c. 550, Pt. A, §2 (NEW).]

6. Public records. All documents submitted to the Attorney General by a person filing a request under subsection 1 in connection with the Attorney General's review of a proposed conversion transaction are public records subject to Title 1, chapter 13, subchapter I except records made confidential by statute or privileged under the Maine Rules of Evidence.

[PL 2001, c. 550, Pt. A, §2 (NEW).]

7. Attorney General rejection of or failure to act on request for approval. If the Attorney General refuses to approve a conversion transaction under this section or fails to act on the request for

approval within 90 days of receipt of the request, a public charity may request court approval of the transaction under section 194-F.

[PL 2001, c. 550, Pt. A, §2 (NEW).]

8. Contracts with consultants; reimbursement for costs. To assist in the review of a proposed conversion transaction pursuant to this section, the Attorney General, at the Attorney General's sole discretion, may contract with experts or consultants the Attorney General considers appropriate.

A. Contract costs incurred by the Attorney General pursuant to this subsection may not exceed an amount that is reasonable and necessary to conduct the review of a proposed conversion transaction. A public charity filing a request under subsection 1 shall pay the Attorney General promptly upon request for all costs of contracts entered into by the Attorney General pursuant to this subsection but is not required to pay any amount that exceeds 5% of the fair market value of the assets to be converted. [PL 2001, c. 550, Pt. A, §2 (NEW).]

B. The Attorney General is exempt from the provisions of applicable state laws regarding public bidding procedures for purposes of entering into contracts pursuant to this subsection. [PL 2001, c. 550, Pt. A, §2 (NEW).]

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SECTION HISTORY

PL 2001, c. 550, §A2 (NEW).

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