

# HOUSE . . . . No. 1557

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By Mr. Schlapp of Methuen, petition of Raymond W. Schlapp relative to the approval of proposed charitable corporations and of articles of amendment to the charters of such corporations. Mercantile Affairs.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Forty-Seven.

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AN ACT RELATIVE TO THE APPROVAL OF PROPOSED CHARITABLE CORPORATIONS AND OF ARTICLES OF AMENDMENT TO THE CHARTERS OF SUCH CORPORATIONS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 180 of the General Laws is  
2 hereby amended by striking out section 6, as appearing  
3 in the Tercentenary Edition, and inserting in place  
4 thereof the following:—

5 *Section 6.* Before approving a certificate for the  
6 incorporation of a charitable corporation, or articles  
7 of amendment to the charter of an existing charitable  
8 corporation, the commissioner of corporations and  
9 taxation shall refer such certificate or articles to the  
10 department of public welfare, which shall immediately  
11 make an investigation as to the applicants for in-  
12 corporation and as to the purposes thereof, and any  
13 other material facts relative thereto, and shall give

14 them a public hearing, notice of which shall be pub-  
15 lished once a week for three successive weeks in some  
16 paper published in the county where the corporation  
17 is to have its principal office or rooms, and if said  
18 office or rooms are to be in Boston, in some Boston  
19 daily paper, the last publication to be at least three  
20 days before the day set for the hearing, and shall  
21 forthwith report to the said commissioner of corpora-  
22 tions and taxation all the facts ascertained by it.  
23 If it appears to him from said report or otherwise  
24 that the probable purpose of the formation of the  
25 proposed corporation, or articles, is to cover any illegal  
26 business, or to cover a business corporation, or that  
27 the persons asking for incorporation are not suitable  
28 persons, from lack of financial ability or from any  
29 other cause, he shall refuse to approve such certificate  
30 or articles. If he refuses, the applicants may appeal  
31 to the superior court, which shall hear the case and  
32 finally determine whether or not the certificate of  
33 incorporation shall be issued.

1 SECTION 2. Said chapter 180 is hereby further  
2 amended by striking out section 10, as most recently  
3 amended by section 6 of chapter 549 of the acts of  
4 1943, and inserting in place thereof the following:—  
5 *Section 10.* Any corporation heretofore or here-  
6 after organized under general or special law for any  
7 of the purposes mentioned in this chapter may, at  
8 a meeting duly called for the purpose, by vote of two  
9 thirds of the capital stock outstanding and entitled to  
10 vote, or, in case such corporation has no capital stock,  
11 by vote of two thirds of the persons legally qualified  
12 to vote in meetings of the corporation, or by a larger  
13 vote of its agreement of association or by-laws shall

14 so require, add to or change the purposes for which  
15 it was incorporated, if the additional or new purpose  
16 is authorized by section two. The presiding, financial  
17 and recording officers and a majority of its other  
18 officers having the powers of directors shall forthwith  
19 make, sign and swear to a certificate setting forth  
20 such addition to or change of purposes. Such certifi-  
21 cate shall be submitted to the commissioner of corpora-  
22 tions and taxation who shall refer it to the department  
23 of public welfare for investigation and report thereon  
24 as provided in section six. If it appears from the  
25 report so submitted to him that said department of  
26 public welfare does not approve of such certificate or  
27 articles, he shall refuse to endorse his approval thereon,  
28 otherwise he shall, subject to section thirty of chapter  
29 sixty-nine, endorse his approval thereon unless he  
30 finds that the provisions of law relative to the amend-  
31 ment to its charter have not been complied with.  
32 The certificate shall thereupon be filed in the office  
33 of the state secretary. If such certificate or articles  
34 are not approved hereunder, the applicant or appli-  
35 cants may appeal to the superior court, which shall  
36 hear the case and determine whether or not the certifi-  
37 cate or articles shall be approved.

