

# Chapter 18 - Nonprofit Corporation Requirements



*Creating Community*

## ABC'S OF HOA LAW IN NEW MEXICO

A Guide to New Mexico Community Association Law

### Nonprofit Corporation Requirements

Every association that is formed as a nonprofit corporation in New Mexico must comply with the provisions of the Nonprofit Corporation Act. The following is a summary of some of the requirements of the Nonprofit Corporation Act:

1. The association must hold an annual meeting at least once every thirteen (13) months. Otherwise, any member can petition the court to require that a meeting be held. NMSA 53-8-13.
2. The association shall have bylaws. The power to alter, amend or repeal the bylaws or adopt new bylaws shall be vested in the board unless otherwise provided in the articles or bylaws. NMSA 53-8-12.
3. The association must provide notice to its members of any meeting of the members not less than ten nor more than fifty days before the date of the meeting (unless otherwise provided in the articles or bylaws). NMSA 53-8-14.
4. The articles or bylaws may provide for cumulative voting for the election of the board of directors. NMSA 53-8-15.
5. If the bylaws do not specify a quorum requirement, a quorum shall consist of 10% of the votes entitled to be cast by the members. NMSA 53-8-16. (Note that if the association is a condominium governed by the Condominium Act, the quorum requirement is 20% of the votes entitled to be cast by the members, unless a different quorum is set forth in the bylaws. NMSA 47-7C-9.
6. The association must have at least three (3) directors, the exact number to be fixed by, or determined in the manner provided in, the articles or bylaws.

7. The association is required to have officers. One of the officers shall have the duty to record the proceedings of the meetings of the members and directors in a book to be kept for that purpose. If the bylaws so provide, any two or more offices may be held by the same person. NMSA 53-8-23.

8. If the board elects the officers, the board can also remove the officers. NMSA 53-8-24.

9. The corporation must keep complete books and records of account and minutes of all meetings of its members, board of directors and committees having any authority of the board. The corporation must also keep a record of the names and addresses of its members entitled to vote. All books and records may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time. NMSA 53-8-27.