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PUBLIC ACCOUNTABILITY OF
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TRUSTS, by Eleanor K. Taylor. Russell Sage
Foundation, New York, 1953. Pp. 231. \$3.00.

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ting them together, he anticipated a labor of at least six months. He finished his task in three months. The completion of his manuscript in that time was providential, for only a few days later he died. He carried with him the faith that, as he put it, "we cannot escape the conviction that there are certain fundamentals of right and justice, 'the same yesterday, to-day and forever.'" Although in a narrow sense Judge Lide left a priceless judicial legacy to the people of his state, in a larger sense he made his bequest to the people of his country, for it is the cumulative influence of the great judges, on the local as well as on the national scene, that has given to this country its traditions and its strength.

*Samuel L. Prince**

PUBLIC ACCOUNTABILITY OF FOUNDATIONS AND CHARITABLE TRUSTS,
by Eleanor K. Taylor. Russell Sage Foundation, New York,
1953. Pp. 231. \$3.00.

This book contributes a much needed synthesis of proposals for federal and state regulation in this field. A preliminary draft of this book, sent to the Russell Sage Foundation for criticism rather than publication, elicited the comment from F. Emerson Andrews that the Foundation "viewed Professor Taylor's manuscript with great interest, since it appeared to be the first comprehensive discussion of actual provisions in various states looking toward accountability for foundations and charitable trusts." A decision to publish it as a Foundation study followed.

The book examines the problem of trusts and trusteeships generally and then analyzes in some detail the existing provisions for supervision of trusts and charitable corporations in a selected list of states. What one discovers with considerable surprise is that so little attention has been paid to the problem at the state level, inasmuch as it is in state law that most such enterprises have their origin. Professor Taylor draws on the rich experience of England and to some extent Canada in pointing up difficulties incident to finding adequate administrative techniques for the regulation of such organizations without at the same time blighting them. The book also contains a searching analysis of the present status of attempts at self-regulation

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by foundations and is not sanguine that a complete answer can ever be supplied from within. As Professor Taylor points out: "The difficulty with this assumption [that conscience and public opinion will keep organizations responsive] is that the responsiveness of individual foundations to public opinion is no guarantee that the force of their 'good example' will improve others. The presence of the legitimate foundation does not drive out the counterfeit." (p. 123)

Proposals for improvement of existing regulation are made at both the state and federal levels. At the state level the proposals are based in part on an analysis of answers to a carefully prepared questionnaire which was circulated to attorneys general in all the states and territories, answers being received from some thirty-three. A copy of the questionnaire is included in an appendix. In addition, legislation presently in force in the states and model legislation available for enactment have been subjected to careful analysis and a substantial sampling from this legislation included in an appendix. Professor Taylor concludes that state legislation "should require registration of all charitable endowments, whether set aside by the donor during his lifetime or provided for by will. The registry should extend to every type of charitable bequest whether made in the form of a trust, or a gift outright to a charitable corporation set up to hold funds or endowments for charitable purposes. . . ." (pp. 136-137)

There is an excellent resume of developments at the federal level consisting of a chapter devoted to the subject of supervision of trusts and foundations incident to administration of the federal income tax and a section devoted to proposals resulting from the work of a 1952 House Select Committee. From this committee work the suggestion emanated that a national registry of trusts might be a logical next step, in addition to the accounting and reporting already required incident to tax enforcement. But beyond measures truly incident to tax enforcement, the author points out the sharp break with the tradition of state responsibility which would be involved in setting up a body comparable to the British Board of Charity Commissioners at the national level.

The author doesn't make as much point as she might of the possibility of a combination of the kind of reporting and accounting possible under the federal tax statutes with supervision based on such reports carried on at the state level. As to the effi-

cacy of such an alliance, I think our experience with bringing public utilities under adequate state control in part through the medium of the reporting requirements of the federal Public Utility Holding Company Act of 1935 provides an instructive analogy.

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