

**FINAL BILL REPORT**

**SSB 5471**

**PARTIAL VETO**

**C 356 L 93**

**SYNOPSIS AS ENACTED**

**Brief Description:** Changing provisions relating to nonprofit corporations.

**SPONSORS:** Senate Committee on Law & Justice (originally sponsored by Senators A. Smith, Quigley, Nelson and Snyder; by request of Secretary of State)

**SENATE COMMITTEE ON LAW & JUSTICE**

**HOUSE COMMITTEE ON JUDICIARY**

**BACKGROUND:**

The corporation division of the Office of the Secretary of State is planning to automate the processing of all corporate documents. In order to automate the division more efficiently, registrations, renewal times, dissolutions, and unified business identification (UBI) registration rules need to be made consistent with the for-profit corporation requirements.

Many individuals, businesses, and corporations use the corporation division filings in their daily activities, which results in continual requests for copies of documents. Fees for these requests need to be adjusted as inflation increases costs. The ability of the Secretary of State to administer the corporation division would be improved if fees, along with staggered and biennial renewal cycles, could be established by rule.

Corporations are also required to file annual reports with the Secretary of State. It is suggested that the Secretary of State be afforded the flexibility to allow for the filing of a biennial report, and to establish staggered reporting dates.

**SUMMARY:**

Nonprofit corporation registration is brought into conformity with the existing for-profit corporation registration statutes.

Revenue clearance requirements, UBI registration, and various administrative provisions are modified to align with the for-profit corporation statutes. The period within which a dissolved or revoked nonprofit corporation may be reinstated is changed to three years throughout the statute.

The Secretary of State is required to set by rule all copy, certification, and service of process fees for nonprofit corporations.

In addition, the Secretary of State may provide by rule for the filing of biennial reports by nonprofit corporations, and the staggering of the reporting dates.

**VOTES ON FINAL PASSAGE:**

Senate	46	0
House	92	0

**EFFECTIVE:** July 1, 1993

**Partial Veto Summary:** The veto removes language which is duplicated in another corporations measure that passed the Legislature. (See VETO MESSAGE)