

FINAL BILL REPORT

SSB 5492

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SYNOPSIS AS ENACTED

Brief Description: Authorizing the secretary of state to set fees by rule.

SPONSORS: Senate Committee on Law & Justice (originally sponsored by Senators Spanel, Snyder, Nelson and M. Rasmussen; by request of Secretary of State)

SENATE COMMITTEE ON LAW & JUSTICE

HOUSE COMMITTEE ON JUDICIARY

HOUSE COMMITTEE ON REVENUE

BACKGROUND:

The existing fees collected by the Secretary of State for the filing of various corporate documents are established by statute.

A recent study by the Efficiency Commission found that the corporation division of the office of the Secretary of State could improve its administrative capabilities if the secretary were allowed to set these and other fees by rule. Fee-based services, such as fulfillment of information and copy requests from customers, were found to be inadequately priced to cover the cost of providing the services.

Customer service and office efficiency could also be improved by allowing the use of credit cards for the payment of fees. This would make it possible for a business to order, pay for, and receive delivery of copies from the corporation division in one day.

SUMMARY:

The Secretary of State is required to establish by rule a variety of fees with regard to for-profit and nonprofit corporations. This rule-making authority applies to corporation filings concerning the following: corrections, amendments, or restatement of articles of incorporation; articles of merger or share exchange, revocation or dissolution; application for amended certificate of authority or reservation, registration or assignment of reserved name; and changes of registered agent.

The Secretary of State must also set fees by administrative rule for furnishing copies of documents.

Annual license fees for inactive corporations are set at \$10 rather than \$50.

Fees for filing articles of incorporation for credit unions and savings and loan associations are increased to \$20.

The Secretary of State must establish fees for services related to charitable trusts and solicitations.

The Secretary of State must set fees for accepting services of process for nonresident drivers.

The Secretary of State is required to establish fees for miscellaneous services, such as providing certificates under seal or recording a trademark.

Fees adjusted by rule may not exceed the average biennial increase in the cost of providing service.

All fees pertaining to articles of incorporation, application for certificate of authority, application of a foreign corporation for a certificate of authority to conduct affairs in this state, and annual fees remain established by statute.

VOTES ON FINAL PASSAGE:

Senate	42	1	
House	98	0	(House amended)
Senate	47	1	(Senate concurred)

EFFECTIVE: July 1, 1993