

SENATE BILL REPORT

HB 1252

As Reported By Senate Committee On:
Law & Justice, February 25, 1998

Title: An act relating to limited partnerships.

Brief Description: Regulating the dissolution of limited partnerships.

Sponsors: Representatives Wensman, Costa, Sheahan, Sterk, Lantz, Skinner, Kenney and Lambert; by request of Secretary of State.

Brief History:

Committee Activity: Law & Justice: 2/23/98, 2/25/98 [DP].

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: Do pass.

Signed by Senators Roach, Chair; Johnson, Vice Chair; Fairley, Hargrove, Kline, Long, Thibaudeau and Zarelli.

Staff: Harry Steinmetz (786-7421)

Background: There are approximately 17,200 limited partnerships of record in Washington. Some were originally registered by the counties between 1945 and 1982. The majority registered with the Secretary of State since 1982. It is estimated that a large percentage of these partnerships are defunct or only operating outside of Washington State.

Currently, the law does not allow the Secretary of State to update its records in order to identify which limited partnerships are inactive or no longer conducting business in Washington State. The result is that the registered name of these partnerships cannot be used by new businesses. Also, record maintenance is less efficient and more expensive.

Summary of Bill: All limited partnerships of record are required to submit updated business information. If the notice requesting the information is returned as undeliverable or the limited partnership does not provide the required information or otherwise not comply with the statutes, the Secretary of State commences proceeding to administratively dissolve the partnership. There is a five-year reinstatement period for those notices returned as undeliverable.

All limited partnerships must submit updated information every five years. These periodic reports must be accompanied by a fee equal to the corporation license fee.

The provisions applying to limited partnerships formed before 1982 expire January 1, 2005.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: None.

Testified: No one.