
SUBSTITUTE HOUSE BILL 2576

State of Washington

61st Legislature

2010 Regular Session

By House Judiciary (originally sponsored by Representatives Kenney, Llias, Moeller, Pedersen, and Armstrong; by request of Secretary of State)

READ FIRST TIME 01/25/10.

1 AN ACT Relating to restructuring and affirming certain fees
2 established by the office of the secretary of state; amending RCW
3 23B.01.530, 24.03.405, 24.06.450, 25.05.500, 43.07.120, 43.07.130,
4 25.15.105, 19.77.030, and 23.86.070; reenacting RCW 19.09.520; and
5 creating a new section.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
8 restructure certain fees for the division of corporations of the office
9 of the secretary of state in a manner that has minimal revenue impact
10 but moves the division of corporations towards a more self-sustaining
11 budget. In achieving the secretary's goal of a self-sustaining budget,
12 it is further the legislature's intent to affirm the office of the
13 secretary of state's authority to establish fees for a charitable
14 organization education program.

15 **Sec. 2.** RCW 23B.01.530 and 1993 c 269 s 3 are each amended to read
16 as follows:

17 For the privilege of doing business, every corporation organized
18 under the laws of this state, except the corporations for which

1 existing law provides a different fee schedule, (~~shall~~) must make and
2 file a statement in the form prescribed by the secretary of state and
3 (~~shall~~) must pay an annual license fee each year following
4 incorporation, on or before the expiration date of its corporate
5 license, to the secretary of state. The secretary of state (~~shall~~)
6 must collect an annual license fee of (~~ten dollars for each inactive~~
7 ~~corporation and fifty dollars for other~~) sixty dollars for
8 corporations that are not inactive corporations. The secretary of
9 state must collect an annual license fee for inactive corporations as
10 established by the secretary of state in rule. As used in this
11 section, "inactive corporation" means a corporation that certifies at
12 the time of filing under this section that it did not engage in any
13 business activities during the year ending on the expiration date of
14 its corporate license.

15 **Sec. 3.** RCW 24.03.405 and 1993 c 269 s 5 are each amended to read
16 as follows:

- 17 (1) (~~The secretary of state shall charge and collect for:~~
18 ~~(a) Filing articles of incorporation, thirty dollars.~~
19 ~~(b) Filing an annual report of a domestic or foreign corporation,~~
20 ~~ten dollars.~~
21 ~~(c) Filing an application of a foreign corporation for a~~
22 ~~certificate of authority to conduct affairs in this state, thirty~~
23 ~~dollars.~~

24 ~~(2))~~ The secretary of state (~~shall~~) must establish by rule, fees
25 for the following:

- 26 (a) Filing articles of incorporation.
27 (b) Filing an annual report of a domestic or foreign corporation.
28 (c) Filing an application of a foreign corporation for a
29 certificate of authority to conduct affairs in this state.

30 (d) An application for reinstatement under RCW 24.03.386.

31 (~~(b))~~ (e) Filing articles of amendment or restatement or an
32 amendment or supplement to an application for reinstatement.

33 (~~(e))~~ (f) Filing articles of merger or consolidation.

34 (~~(d))~~ (g) Filing a statement of change of address of registered
35 office or change of registered agent, or revocation, resignation, or
36 any combination of these. (~~A separate fee for filing such statement~~

1 shall not be charged if the statement appears in an amendment to
2 articles of incorporation or in conjunction with the filing of the
3 annual report.

4 ~~(e))~~ (h) Filing articles of dissolution(~~(, no fee)~~).

5 ~~((f))~~ (i) Filing an application of a foreign corporation for an
6 amended certificate of authority to conduct affairs in this state.

7 ~~((g))~~ (j) Filing an application for withdrawal of a foreign
8 corporation and issuing a certificate of withdrawal(~~(, no fee)~~).

9 ~~((h))~~ (k) Filing a certificate by a foreign corporation of the
10 appointment of a registered agent. (~~A separate fee for filing such~~
11 ~~certificate shall not be charged if the statement appears in~~
12 ~~conjunction with the filing of the annual report.~~

13 ~~(i))~~ (l) Filing a certificate of election adopting the provisions
14 of chapter 24.03 RCW.

15 ~~((j))~~ (m) Filing an application to reserve a corporate name.

16 ~~((k))~~ (n) Filing a notice of transfer of a reserved corporate
17 name.

18 ~~((l))~~ (o) Filing a name registration.

19 ~~((m))~~ (p) Filing any other statement or report authorized for
20 filing under this chapter.

21 ~~((3))~~ (2) Fees (~~shall be~~) are adjusted by rule only in an
22 amount that does not exceed the average biennial increase in the cost
23 of providing service. This (~~shall~~) must be determined in a
24 (~~biannual [biennial]~~) biennial cost study performed by the secretary.

25 **Sec. 4.** RCW 24.06.450 and 1993 c 269 s 7 are each amended to read
26 as follows:

27 (1) (~~The secretary of state shall charge and collect for:~~

28 ~~(a) Filing articles of incorporation, thirty dollars.~~

29 ~~(b) Filing an annual report, ten dollars.~~

30 ~~(c) Filing an application of a foreign corporation for a~~
31 ~~certificate of authority to conduct affairs in this state, thirty~~
32 ~~dollars.~~

33 ~~(2))~~ The secretary of state (~~shall~~) must establish by rule, fees
34 for the following:

35 (a) Filing articles of incorporation.

36 (b) Filing an annual report.

1 (c) Filing an application of a foreign corporation for a
2 certificate of authority to conduct affairs in this state.

3 (d) Filing articles of amendment or restatement.

4 ~~((b))~~ (e) Filing articles of merger or consolidation.

5 ~~((c))~~ (f) Filing a statement of change of address of registered
6 office or change of registered agent, or revocation, resignation, or
7 any combination of these. ~~((A separate fee for filing such statement~~
8 ~~shall not be charged if the statement appears in an amendment to the~~
9 ~~articles of incorporation or in conjunction with the annual report.~~

10 ~~(d))~~ (g) Filing articles of dissolution, no fee.

11 ~~((e))~~ (h) Filing an application of a foreign corporation for an
12 amended certificate of authority to conduct affairs in this state.

13 ~~((f))~~ (i) Filing a copy of an amendment to the articles of
14 incorporation of a foreign corporation holding a certificate of
15 authority to conduct affairs in this state.

16 ~~((g))~~ (j) Filing a copy of articles of merger of a foreign
17 corporation holding a certificate of authority to conduct affairs in
18 this state.

19 ~~((h))~~ (k) Filing an application for withdrawal of a foreign
20 corporation and issuing a certificate of withdrawal ~~((, no fee)).~~

21 ~~((i))~~ (l) Filing a certificate by a foreign corporation of the
22 appointment of a registered agent. ~~((A separate fee for filing such~~
23 ~~certificate shall not be charged if the statement appears in an~~
24 ~~amendment to the articles of incorporation or in conjunction with the~~
25 ~~annual report.~~

26 ~~(j))~~ (m) Filing a certificate by a foreign corporation of the
27 revocation of the appointment of a registered agent. ~~((A separate fee~~
28 ~~for filing such certificate shall not be charged if the statement~~
29 ~~appears in an amendment to the articles of incorporation or in~~
30 ~~conjunction with the annual report.~~

31 ~~(k))~~ (n) Filing an application to reserve a corporate name.

32 ~~((l))~~ (o) Filing a notice of transfer of a reserved corporate
33 name.

34 ~~((m))~~ (p) Filing any other statement or report of a domestic or
35 foreign corporation.

36 ~~((3))~~ (2) Fees ~~((shall be))~~ are adjusted by rule in an amount
37 that does not exceed the average biennial increase in the cost of

1 providing service. This (~~shall~~) must be determined in a biennial
2 cost study performed by the secretary.

3 **Sec. 5.** RCW 25.05.500 and 2009 c 437 s 4 are each amended to read
4 as follows:

5 (1) A partnership which is not a limited liability partnership on
6 June 11, 1998, may become a limited liability partnership upon the
7 approval of the terms and conditions upon which it becomes a limited
8 liability partnership by the vote necessary to amend the partnership
9 agreement except, in the case of a partnership agreement that expressly
10 considers obligations to contribute to the partnership, the vote
11 necessary to amend those provisions, and by filing the applications
12 required by subsection (2) of this section. A partnership which is a
13 limited liability partnership on June 11, 1998, continues as a limited
14 liability partnership under this chapter.

15 (2)(a) To become and to continue as a limited liability
16 partnership, a partnership (~~shall~~) must file with the secretary of
17 state an application stating the name of the partnership; the location
18 of a registered office, which need not be a place of its activity in
19 this state; the address of its principal office; if the partnership's
20 principal office is not located in this state, the address of a
21 registered office and the name and address of a registered agent for
22 service of process in this state which the partnership will be required
23 to continuously maintain; the number of partners; a brief statement of
24 the business in which the partnership engages; any other matters that
25 the partnership determines to include; and that the partnership thereby
26 applies for status as a limited liability partnership.

27 (b) A registered agent for service of process under (a) of this
28 subsection must be an individual who is a resident of this state or
29 other person authorized to do business in this state.

30 (3) The application (~~shall~~) must be accompanied by a fee (~~of one~~
31 ~~hundred seventy five dollars~~) for each partnership as established by
32 the secretary of state in rule.

33 (4) The secretary of state (~~shall~~) must register as a limited
34 liability partnership any partnership that submits a completed
35 application with the required fee.

36 (5) A partnership registered under this section (~~shall~~) must pay
37 an annual fee, in each year following the year in which its application

1 is filed, on a date and in an amount specified by the secretary of
2 state. The fee must be accompanied by a notice, on a form provided by
3 the secretary of state, of the number of partners currently in the
4 partnership and of any material changes in the information contained in
5 the partnership's application for registration.

6 (6) Registration is effective immediately after the date an
7 application is filed, and remains effective until:

8 (a) It is voluntarily withdrawn by filing with the secretary of
9 state a written withdrawal notice executed by a majority of the
10 partners or by one or more partners or other persons authorized to
11 execute a withdrawal notice; or

12 (b) Thirty days after receipt by the partnership of a notice from
13 the secretary of state, which notice (~~shall~~) must be sent by first-
14 class mail, postage prepaid, that the partnership has failed to make
15 timely payment of the annual fee specified in subsection (5) of this
16 section, unless the fee is paid within such a thirty-day period.

17 (7) The status of a partnership as a limited liability partnership,
18 and the liability of the partners thereof, (~~shall~~) is not (~~be~~)
19 affected by: (a) Errors in the information stated in an application
20 under subsection (2) of this section or a notice under subsection (6)
21 of this section; or (b) changes after the filing of such an application
22 or notice in the information stated in the application or notice.

23 (8) The secretary of state may provide forms for the application
24 under subsection (2) of this section or a notice under subsection (6)
25 of this section.

26 **Sec. 6.** RCW 43.07.120 and 1998 c 103 s 1309 are each amended to
27 read as follows:

28 (1) The secretary of state (~~shall~~) must establish by rule and
29 collect the fees in this subsection:

30 (a) For a copy of any law, resolution, record, or other document or
31 paper on file in the secretary's office;

32 (b) For any certificate under seal;

33 (c) For filing and recording trademark;

34 (d) For each deed or patent of land issued by the governor;

35 (e) For recording miscellaneous records, papers, or other
36 documents.

1 (2) The secretary of state may adopt rules under chapter 34.05 RCW
2 establishing reasonable fees for the following services rendered under
3 Title 23B RCW, chapter 18.100, 19.09, 19.34, 19.77, 23.86, 23.90,
4 24.03, 24.06, 24.12, 24.20, 24.24, 24.28, 24.36, 25.04, 25.15, 25.10,
5 ((~~or~~)) 25.05, or 26.60 RCW:

6 (a) Any service rendered in-person at the secretary of state's
7 office;

8 (b) Any expedited service;

9 (c) The electronic or facsimile transmittal of information from
10 corporation records or copies of documents;

11 (d) The providing of information by micrographic or other reduced-
12 format compilation;

13 (e) The handling of checks, drafts, or credit or debit cards upon
14 adoption of rules authorizing their use for which sufficient funds are
15 not on deposit; and

16 (f) Special search charges.

17 (3) To facilitate the collection of fees, the secretary of state
18 may establish accounts for deposits by persons who may frequently be
19 assessed such fees to pay the fees as they are assessed. The secretary
20 of state may make whatever arrangements with those persons as may be
21 necessary to carry out this section.

22 (4) The secretary of state may adopt rules for the use of credit or
23 debit cards for payment of fees.

24 (5) No member of the legislature, state officer, justice of the
25 supreme court, judge of the court of appeals, or judge of the superior
26 court ((~~shall~~)) may be charged for any search relative to matters
27 pertaining to the duties of his or her office; nor may such official be
28 charged for a certified copy of any law or resolution passed by the
29 legislature relative to his or her official duties, if such law has not
30 been published as a state law.

31 **Sec. 7.** RCW 43.07.130 and 2005 c 518 s 924 are each amended to
32 read as follows:

33 There is created within the state treasury a revolving fund, to be
34 known as the "secretary of state's revolving fund," which ((~~shall~~))
35 must be used by the office of the secretary of state to defray the
36 costs of ((~~printing, reprinting, or distributing printed matter~~))
37 providing registration and information services authorized by law ((~~to~~

1 ~~be issued~~) by the office of the secretary of state, and any other cost
2 of carrying out the functions of the secretary of state under Title 11,
3 18, 19, 23, 23B, 24, 25, 26, 30, 42, 43, or 64 RCW(~~(, or chapters~~
4 ~~18.100, 23.86, 23.90, 24.03, 24.06, 24.12, 24.20, 24.24, 24.28, 24.36,~~
5 ~~25.15, or 25.10~~ RCW)).

6 The secretary of state is (~~hereby~~) authorized to charge a fee for
7 (~~such~~) publications in an amount which will compensate for the costs
8 of printing, reprinting, and distributing such printed matter. Fees
9 recovered by the secretary of state under RCW 43.07.120(2), 19.09.305,
10 19.09.315, 19.09.440, 23B.01.220 (1)(e)(~~(, (6) and (7))~~), 23B.18.050,
11 24.03.410, 24.06.455, 25.10.600(6), 25.10.916(1)(e), or 46.64.040, and
12 such other moneys as are expressly designated for deposit in the
13 secretary of state's revolving fund (~~shall~~) must be placed in the
14 secretary of state's revolving fund.

15 During the 2005-2007 fiscal biennium, the legislature may transfer
16 from the secretary of state's revolving fund to the state general fund
17 such amounts as reflect the excess fund balance of the fund.

18 **Sec. 8.** RCW 25.15.105 and 2001 c 307 s 2 are each amended to read
19 as follows:

20 (1) Each domestic limited liability company, and each foreign
21 limited liability company authorized to transact business in this
22 state, (~~shall~~) must deliver to the secretary of state for filing,
23 both initial and annual reports that set forth:

24 (a) The name of the company and the state or country under whose
25 law it is organized;

26 (b) The street address of its registered office and the name of its
27 registered agent at that office in this state;

28 (c) In the case of a foreign company, the address of its principal
29 office in the state or country under the laws of which it is organized;

30 (d) The address of the principal place of business of the company
31 in this state;

32 (e) The names and addresses of the company's members, or if the
33 management of the company is vested in a manager or managers, then the
34 name and address of its manager or managers; and

35 (f) A brief description of the nature of its business.

36 (2) Information in an initial report or an annual report must be
37 current as of the date the report is executed on behalf of the company.

1 (3) A company's initial report must be delivered to the secretary
2 of state within one hundred twenty days of the date on which a domestic
3 company's certificate of formation was filed, or on which a foreign
4 company's application for registration was submitted. Subsequent
5 annual reports must be delivered to the secretary of state on a date
6 determined by the secretary of state, and at such additional times as
7 the company elects.

8 (4)(a) The secretary of state may allow a company to file an
9 initial or annual report through electronic means. If allowed, the
10 secretary of state (~~shall~~) must adopt rules detailing the
11 circumstances under which the electronic filing of (~~such~~) the reports
12 (~~shall be~~) is permitted and how (~~such~~) the reports may be filed.

13 (b) For purposes of this section only, a person executing an
14 electronically filed annual report may deliver the report to the office
15 of the secretary of state without a signature and without an exact or
16 conformed copy, but the person's name must appear in the electronic
17 filing as the person executing the filing, and the filing must state
18 the capacity in which the person is executing the filing.

19 **Sec. 9.** RCW 19.77.030 and 1998 c 39 s 1 are each amended to read
20 as follows:

21 (1) Subject to the limitations set forth in this chapter, any
22 person who has adopted and is using a trademark in this state may file
23 in the office of the secretary of state, on a form to be furnished by
24 the secretary of state, an application for registration of that
25 trademark setting forth, but not limited to, the following information:

26 (a) The name and business address of the applicant, and, if the
27 applicant is a corporation, its state of incorporation;

28 (b) The particular goods or services in connection with which the
29 trademark is used and the class in which such goods or services fall;

30 (c) The manner in which the trademark is placed on or affixed to
31 the goods or containers, or displayed in connection with such goods, or
32 used in connection with the sale or advertising of the services;

33 (d) The date when the trademark was first used with such goods or
34 services anywhere and the date when it was first used with such goods
35 or services in this state by the applicant or his predecessor in
36 business;

1 (e) A statement that the trademark is presently in use in this
2 state by the applicant;

3 (f) A statement that the applicant believes himself to be the owner
4 of the trademark and believes that no other person has the right to use
5 such trademark in connection with the same or similar goods or services
6 in this state either in the identical form or in such near resemblance
7 thereto as to be likely, when used on or in connection with the goods
8 or services of such other person, to cause confusion or mistake or to
9 deceive; and

10 (g) Such additional information or documents as the secretary of
11 state may reasonably require.

12 (2) A single application for registration of a trademark may
13 specify all goods or services in a single class or in multiple classes
14 for which the trademark is actually being used.

15 (3) The application (~~shall~~) must be signed by the applicant
16 individual, or by a member of the applicant firm, or by an officer of
17 the applicant corporation, association, union or other organization.

18 (4) The application (~~shall~~) must be accompanied by three
19 specimens or facsimiles of the trademark for each of the goods or
20 services for which its registration is requested, and a filing fee, as
21 set by rule by the secretary of state, payable to the secretary of
22 state. The fee established by the secretary may vary based upon the
23 number of categories listed in the application.

24 (5) An applicant may correct an application previously filed by the
25 secretary of state, within ninety days of the original filing, if the
26 application contains an incorrect statement or the application was
27 defectively executed, signed, or acknowledged. An application is
28 corrected by filing a form provided by the secretary of state, and
29 accompanied by a filing fee established by the secretary by rule. The
30 correction may not change the mark itself. A corrected application is
31 effective on the effective date of the document it corrects, except
32 that it is effective on the date the correction is filed as to persons
33 relying on the uncorrected document and adversely affected by the
34 correction.

35 (6) An applicant may amend an application previously filed by the
36 secretary of state if the applicant changes the categories in which it
37 does business. An application is amended by filing a form provided by
38 the secretary of state, accompanied by three specimens or facsimiles of

1 the trademark for any new or additional goods or services for which the
2 amendment is requested, and a filing fee established by the secretary
3 by rule. The amendment or correction may not change the mark itself.
4 An amended application is effective on the date it is filed.

5 (7) If the secretary of state determines within ninety days of
6 issuance, that a certificate of registration was issued in error, then
7 the secretary may cancel the certificate of registration. The
8 secretary shall promptly notify the registrant of the cancellation in
9 writing. The registrant may petition the superior court of Thurston
10 county for review of the cancellation within sixty days.

11 **Sec. 10.** RCW 23.86.070 and 1993 c 269 s 1 are each amended to read
12 as follows:

13 For filing articles of incorporation of an association organized
14 under this chapter or filing application for a certificate of authority
15 by a foreign corporation, there (~~shall~~) must be paid to the secretary
16 of state (~~the sum of twenty five dollars~~) a fee as established by the
17 secretary by rule. Fees for filing an amendment to articles of
18 incorporation (~~shall~~) must be established by the secretary of state
19 by rule. For filing other documents with the secretary of state and
20 issuing certificates, fees (~~shall be~~) are as prescribed in RCW
21 23B.01.220. Associations subject to this chapter (~~shall~~) are not
22 (~~be~~) subject to any corporation license fees excepting the fees
23 hereinabove enumerated.

24 **Sec. 11.** RCW 19.09.520 and 2007 c 471 s 13 are each reenacted to
25 read as follows:

26 (1) To provide for a charitable organization education program as
27 authorized in RCW 19.09.510, the secretary may establish fees on
28 registrations for entities filing with the secretary as organizations
29 pursuant to this chapter.

30 (2) The fees authorized in this section are in addition to the
31 existing fees established by the secretary in rule for organizations
32 required to register under this chapter.

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