

HOUSE BILL REPORT

HB 3144

As Passed House - Amended:

March 3, 2000

Title: An act relating to electronic filing of corporation and limited liability company annual reports.

Brief Description: Authorizing electronic filing of corporation and limited liability company annual reports.

Sponsors: Representatives Conway, Clements, Thomas and Rockefeller; by request of Secretary of State.

Brief History:

Committee Activity:

Commerce & Labor: 2/22/00.

Floor Activity:

Passed House - Amended: 3/3/00, 97-0.

Brief Summary of Bill

- Allows the Secretary of State to adopt rules governing electronic filing of annual reports by corporations and limited liability companies.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority/Minority Report: None. (Bill removed from committee on 3/1/00).

Staff: Chris Cordes (786-7103).

Background:

Domestic corporations and limited liability companies, and foreign corporations and limited liability companies authorized to do business in Washington, must file annual reports and a \$50 licensing fee with the Secretary of State. Under the master licensing system, these reports and fees are actually filed with the Department of Licensing's business license center where the data from the reports are collected and

the fees remitted to the Secretary of State. The business license center processes more than 100,000 annual reports each year.

Documents filed with the Secretary of State generally must be typewritten or printed and executed and signed by specified officers of the company. The filing must be accompanied by a duplicate or conformed copy of the document.

Summary of Bill:

The Secretary of State may allow corporations and limited liability companies to file annual reports electronically. If allowed, the Secretary of State must adopt rules detailing when electronic filing would be permitted and how the reports would be filed. These electronic reports may be delivered without a signature or a conformed copy, but the filing must include the name of the person executing the filing and the capacity in which the person is executing the filing.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Many years ago the state began consolidating its licensing system to streamline the licensing process for the customer. This bill is another step in that direction. Corporations and limited liability companies would be able to file "no change" or "change" annual reports under a unique identification number. The goal of the agencies involved in this program is to work together to facilitate customer service.

Testimony Against: None.

Testified: Ralph Munro, Secretary of State; Mike Ricchio, Secretary of State's Office; and Alan Rathbun, Department of Licensing.