

CERTIFICATION OF ENROLLMENT

SECOND SUBSTITUTE HOUSE BILL 2576

Chapter 29, Laws of 2010

61st Legislature
2010 1st Special Session

SECRETARY OF STATE--FEES--RESTRUCTURING

EFFECTIVE DATE: 07/13/10

Passed by the House March 17, 2010
Yeas 54 Nays 39

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 12, 2010
Yeas 26 Nays 19

BRAD OWEN

President of the Senate

Approved April 27, 2010, 2:10 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 2576** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

April 28, 2010

**Secretary of State
State of Washington**

SECOND SUBSTITUTE HOUSE BILL 2576

Passed Legislature - 2010 1st Special Session

State of Washington

61st Legislature

2010 Regular Session

By House Ways & Means (originally sponsored by Representatives Kenney, Liiias, Moeller, Pedersen, and Armstrong; by request of Secretary of State)

READ FIRST TIME 02/28/10.

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, 23.86.070, 19.09.075, 19.09.079, 19.09.097,
5 19.09.355, and 19.09.530; adding a new section to chapter 19.09 RCW;
6 creating a new section; and repealing RCW 19.09.520.

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

8 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
9 restructure certain fees for the division of corporations of the office
10 of the secretary of state in a manner that has minimal revenue impact
11 but moves the division of corporations towards a more self-sustaining
12 budget.

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

15 For the privilege of doing business, every corporation organized
16 under the laws of this state, except the corporations for which
17 existing law provides a different fee schedule, (~~shall~~) must make and
18 file a statement in the form prescribed by the secretary of state and

1 (~~shall~~) must pay an annual license fee each year following
2 incorporation, on or before the expiration date of its corporate
3 license, to the secretary of state. The secretary of state (~~shall~~)
4 must collect an annual license fee of (~~ten dollars for each inactive~~
5 ~~corporation — and — fifty — dollars — for — other~~) sixty _ dollars _ for
6 corporations that are not inactive corporations, of which ten dollars
7 is designated to be deposited into the secretary's revolving fund per
8 RCW 43.07.130. The secretary of state must collect an annual license
9 fee for inactive corporations as established by the secretary of state
10 in rule. As used in this section, "inactive corporation" means a
11 corporation that certifies at the time of filing under this section
12 that it did not engage in any business activities during the year
13 ending on the expiration date of its corporate license.

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

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

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

18 ~~(b) Filing an annual report of a domestic or foreign corporation,~~
19 ~~ten dollars.~~

20 ~~(c) — Filing — an — application — of — a — foreign — corporation — for — a~~
21 ~~certificate — of — authority — to — conduct — affairs — in — this — state, — thirty~~
22 ~~dollars.~~

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

25 (a) Filing articles of incorporation.

26 (b) Filing an annual report of a domestic or foreign corporation.

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

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

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

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

33 (~~(d))~~ (g) Filing a statement of change of address of registered
34 office or change of registered agent, or revocation, resignation, or
35 any combination of these. (~~A separate fee for filing such statement~~
36 shall not be charged if the statement appears in an amendment to

1 ~~articles of incorporation or in conjunction with the filing of the~~
2 ~~annual report.~~

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

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

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

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

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

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

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

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

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

20 ~~((3))~~ (2) Fees (~~shall be~~) are adjusted by rule only in an
21 amount that does not exceed the average biennial increase in the cost
22 of providing service. This (~~shall~~) must be determined in a
23 (~~biannual [biennial]~~) biennial cost study performed by the secretary.

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

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

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

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

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

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

34 (a) Filing articles of incorporation.

35 (b) Filing an annual report.

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

1 (d) Filing articles of amendment or restatement.

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

3 ~~((c))~~ (f) Filing a statement of change of address of registered

4 office or change of registered agent, or revocation, resignation, or

5 any combination of these. ~~((A separate fee for filing such statement~~

6 ~~shall not be charged if the statement appears in an amendment to the~~

7 ~~articles of incorporation or in conjunction with the annual report.~~

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

9 ~~((e))~~ (h) Filing an application of a foreign corporation for an

10 amended certificate of authority to conduct affairs in this state.

11 ~~((f))~~ (i) Filing a copy of an amendment to the articles of

12 incorporation of a foreign corporation holding a certificate of

13 authority to conduct affairs in this state.

14 ~~((g))~~ (j) Filing a copy of articles of merger of a foreign

15 corporation holding a certificate of authority to conduct affairs in

16 this state.

17 ~~((h))~~ (k) Filing an application for withdrawal of a foreign

18 corporation and issuing a certificate of withdrawal ~~((, no fee))~~.

19 ~~((i))~~ (l) Filing a certificate by a foreign corporation of the

20 appointment of a registered agent. ~~((A separate fee for filing such~~

21 ~~certificate shall not be charged if the statement appears in an~~

22 ~~amendment to the articles of incorporation or in conjunction with the~~

23 ~~annual report.~~

24 ~~(j))~~ (m) Filing a certificate by a foreign corporation of the

25 revocation of the appointment of a registered agent. ~~((A separate fee~~

26 ~~for filing such certificate shall not be charged if the statement~~

27 ~~appears in an amendment to the articles of incorporation or in~~

28 ~~conjunction with the annual report.~~

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

30 ~~((l))~~ (o) Filing a notice of transfer of a reserved corporate

31 name.

32 ~~((m))~~ (p) Filing any other statement or report of a domestic or

33 foreign corporation.

34 ~~((3))~~ (2) Fees ~~((shall be))~~ are adjusted by rule in an amount

35 that does not exceed the average biennial increase in the cost of

36 providing service. This ~~((shall))~~ must be determined in a biennial

37 cost study performed by the secretary.

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

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

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

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

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

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

34 (5) A partnership registered under this section (~~shall~~) must pay
35 an annual fee, in each year following the year in which its application
36 is filed, on a date and in an amount specified by the secretary of
37 state. The fee must be accompanied by a notice, on a form provided by

1 the secretary of state, of the number of partners currently in the
2 partnership and of any material changes in the information contained in
3 the partnership's application for registration.

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

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

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

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

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

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

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

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

30 (b) For any certificate under seal;

31 (c) For filing and recording trademark;

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

33 (e) For recording miscellaneous records, papers, or other
34 documents.

35 (2) The secretary of state may adopt rules under chapter 34.05 RCW
36 establishing reasonable fees for the following services rendered under

1 Title 23B RCW, chapter 18.100, 19.09, 19.34, 19.77, 23.86, 23.90,
2 24.03, 24.06, 24.12, 24.20, 24.24, 24.28, 24.36, 25.04, 25.15, 25.10,
3 (~~or~~) 25.05, or 26.60 RCW:

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

6 (b) Any expedited service;

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

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

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

14 (f) Special search charges.

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

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

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

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

31 There is created within the state treasury a revolving fund, to be
32 known as the "secretary of state's revolving fund," which (~~shall~~)
33 must be used by the office of the secretary of state to defray the
34 costs of (~~printing, reprinting, or distributing printed matter~~)
35 providing registration and information services authorized by law (~~to~~
36 ~~be issued~~) by the office of the secretary of state, and any other cost
37 of carrying out the functions of the secretary of state under Title 11,

1 ~~18, 19, 23, 23B, 24, 25, 26, 30, 42, 43, or 64~~ RCW(~~(, or chapters~~
2 ~~18.100, 23.86, 23.90, 24.03, 24.06, 24.12, 24.20, 24.24, 24.28, 24.36,~~
3 ~~25.15, or 25.10~~ RCW)).

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

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

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

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

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

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

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

28 (d) The address of the principal place of business of the company
29 in this state;

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

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

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

36 (3) A company's initial report must be delivered to the secretary
37 of state within one hundred twenty days of the date on which a domestic

1 company's certificate of formation was filed, or on which a foreign
2 company's application for registration was submitted. Subsequent
3 annual reports must be delivered to the secretary of state on a date
4 determined by the secretary of state, and at such additional times as
5 the company elects.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 amendment is requested, and a filing fee established by the secretary
2 by rule. The amendment or correction may not change the mark itself.
3 An amended application is effective on the date it is filed.

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

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

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

23 NEW SECTION. **Sec. 11.** A new section is added to chapter 19.09 RCW
24 to read as follows:

25 The secretary of state shall collect the following fees in
26 accordance with this chapter:

27 (1) For an application for registration as a charitable
28 organization, a fee of sixty dollars. Twenty dollars of this fee must
29 be deposited in the state general fund and the remaining forty dollars
30 must be deposited in the charitable organization education account
31 under RCW 19.09.530;

32 (2) For an annual renewal of registration as a charitable
33 organization, a fee of forty dollars. Ten dollars of this fee must be
34 deposited in the state general fund and the remaining thirty dollars
35 must be deposited in the charitable organization education account
36 under RCW 19.09.530;

1 (3) For an application for registration as a commercial fundraiser,
2 a fee of three hundred dollars. Two hundred fifty dollars of this fee
3 must be deposited in the state general fund and the remaining fifty
4 dollars must be deposited in the charitable organization education
5 account under RCW 19.09.530;

6 (4) For an annual renewal of registration as a commercial
7 fundraiser, a fee of two hundred twenty-five dollars. One hundred
8 seventy-five dollars of this fee must be deposited in the state general
9 fund and the remaining fifty dollars must be deposited in the
10 charitable organization education account under RCW 19.09.530;

11 (5) For a registration of a commercial fundraiser service contract,
12 a fee of twenty dollars. Ten dollars of this fee must be deposited in
13 the state general fund and the remaining ten dollars must be deposited
14 in the charitable organization education account under RCW 19.09.530.

15 **Sec. 12.** RCW 19.09.075 and 2007 c 471 s 3 are each amended to read
16 as follows:

17 An application for registration as a charitable organization shall
18 be submitted in the form prescribed by rule by the secretary,
19 containing, but not limited to, the following:

20 (1) The name, address, and telephone number of the charitable
21 organization;

22 (2) The name(s) under which the organization will solicit
23 contributions;

24 (3) The name, address, and telephone number of the officers of or
25 persons accepting responsibility for the organization;

26 (4) The names of the three officers or employees receiving the
27 greatest amount of compensation from the organization;

28 (5) The purpose of the organization;

29 (6)(a) Whether the organization is exempt from federal income tax;
30 and if so the organization shall attach to its application a copy of
31 the letter by which the internal revenue service granted such status;
32 and

33 (b) The name and address of the entity that prepares, reviews, or
34 audits the financial statement of the organization;

35 (7) A solicitation report of the organization for the preceding
36 accounting year including:

37 (a) The types of solicitations conducted;

1 (b) The total dollar value of contributions received from
2 solicitations and from all other sources received on behalf of the
3 charitable purpose of the charitable organization;

4 (c) The total amount of money applied to charitable purposes, fund
5 raising costs, and other expenses; and

6 (d) The name, address, and telephone number of any commercial fund
7 raiser used by the organization;

8 (8) An irrevocable appointment of the secretary to receive service
9 of process in noncriminal proceedings as provided in RCW 19.09.305; and

10 (9) The total revenue of the preceding fiscal year.

11 The solicitation report required to be submitted under subsection
12 (7) of this section shall be in the form prescribed by rule by the
13 secretary, or as agreed to by the secretary and a charitable
14 organization. The president, treasurer, or comparable officer of the
15 organization must sign and date the application. The application shall
16 be submitted with a nonrefundable filing fee (~~which shall be in an~~
17 ~~amount to be established by the secretary by rule. In determining the~~
18 ~~amount of this application fee, the secretary may consider factors such~~
19 ~~as the entity's annual budget and its federal income tax status~~)
20 established in section 11 of this act. If the secretary determines
21 that the application is complete, the application shall be filed and
22 the applicant deemed registered.

23 **Sec. 13.** RCW 19.09.079 and 2007 c 471 s 5 are each amended to read
24 as follows:

25 An application for registration as a commercial fund raiser shall
26 be submitted in the form prescribed by the secretary, containing, but
27 not limited to, the following:

28 (1) The name, address, and telephone number of the commercial fund-
29 raising entity;

30 (2) The name(s), address(es), and telephone number(s) of the
31 owner(s) and principal officer(s) of the commercial fund-raising
32 entity;

33 (3) The name, address, and telephone number of the individual
34 responsible for the activities of the commercial fund-raising entity in
35 Washington;

36 (4) The names of the three officers or employees receiving the

1 greatest amount of compensation from the commercial fund-raising
2 entity;

3 (5) The name and address of the entity that prepares, reviews, or
4 audits the financial statement of the organization;

5 (6) A solicitation report of the commercial fund-raising entity for
6 the preceding accounting year, including:

7 (a) The types of fund raising services conducted;

8 (b) The names of charitable organizations required to register
9 under RCW 19.09.065 for whom fund raising services have been performed;

10 (c) The total value of contributions received on behalf of
11 charitable organizations required to register under RCW 19.09.065 by
12 the commercial fund raiser, affiliate of the commercial fund raiser, or
13 any entity retained by the commercial fund raiser; and

14 (d) The amount of money disbursed to charitable organizations for
15 charitable purposes, net of fund raising costs paid by the charitable
16 organization as stipulated in any agreement between charitable
17 organizations and the commercial fund raiser;

18 (7) The name, address, and telephone number of any commercial fund
19 raiser that was retained in the conduct of providing fund raising
20 services; and

21 (8) An irrevocable appointment of the secretary to receive service
22 of process in noncriminal proceedings as provided in RCW 19.09.305.

23 The application shall be signed by an officer or owner of the
24 commercial fund raiser and shall be submitted with a nonrefundable fee
25 (~~(in an amount to be established by rule of the secretary)~~) established
26 in section 11 of this act. If the secretary determines that the
27 application is complete, the application shall be filed and the
28 applicant deemed registered.

29 **Sec. 14.** RCW 19.09.097 and 2007 c 471 s 7 are each amended to read
30 as follows:

31 (1) No charitable organization may contract with a commercial fund
32 raiser for any fund raising service or activity unless its contract
33 requires that both parties comply with the law and permits officers of
34 the charity reasonable access to: (a) The fund raisers' financial
35 records relating to that charitable organization; (b) the fund raisers'
36 operations including without limitation the right to be present during
37 any telephone solicitation; and (c) the names of all of the fund

1 raisers' employees or staff who are conducting fund raising or
2 charitable solicitations on behalf of the charitable organization. In
3 addition, the contract shall specify the amount of raised funds that
4 the charitable organization will receive or the method of computing
5 that amount, the amount of compensation of the commercial fund raiser
6 or the method of computing that amount, and whether the compensation is
7 fixed or contingent.

8 (2) Before a charitable organization may contract with a commercial
9 fund raiser for any fund raising service or activity, the charitable
10 organization and commercial fund raiser shall complete and file a
11 registration form with the secretary. The registration shall be filed
12 by the charitable organization in the form prescribed by the secretary.
13 The registration shall contain, but not be limited to, the following
14 information:

15 (a) The name and registration number of the commercial fund raiser;

16 (b) The name of the surety or sureties issuing the bond required by
17 RCW 19.09.190, the aggregate amount of such bond or bonds, the bond
18 number(s), original effective date(s), and termination date(s);

19 (c) The name and registration number of the charitable
20 organization;

21 (d) The name of the representative of the commercial fund raiser
22 who will be responsible for the conduct of the fund raising;

23 (e) The type(s) of service(s) to be provided by the commercial fund
24 raiser;

25 (f) The dates such service(s) will begin and end;

26 (g) The terms of the agreement between the charitable organization
27 and commercial fund raiser relating to:

28 (i) Amount or percentages of amounts to inure to the charitable
29 organization;

30 (ii) Limitations placed on the maximum amount to be raised by the
31 fund raiser, if the amount to inure to the charitable organization is
32 not stated as a percentage of the amount raised;

33 (iii) Costs of fund raising that will be the responsibility of the
34 charitable organization, regardless of whether paid as a direct
35 expense, deducted from the amounts disbursed, or otherwise; and

36 (iv) The manner in which contributions received directly by the
37 charitable organization, not the result of services provided by the

1 commercial fund raiser, will be identified and used in computing the
2 fee owed to the commercial fund raiser; and

3 (h) The names of any entity to which more than ten percent of the
4 total anticipated fund raising cost is to be paid, and whether any
5 principal officer or owner of the commercial fund raiser or relative by
6 blood or marriage thereof is an owner or officer of any such entity.

7 (3) A correct copy of the contract shall be filed with the
8 secretary before the commencement of any campaign.

9 (4) The registration form shall be submitted with a nonrefundable
10 filing fee (~~((in an amount to be established by rule of the secretary))~~)
11 established in section 11 of this act and shall be signed by an owner
12 or principal officer of the commercial fund raiser and the president,
13 treasurer, or comparable officer of the charitable organization.

14 **Sec. 15.** RCW 19.09.355 and 1983 c 265 s 18 are each amended to
15 read as follows:

16 Except as otherwise provided in this chapter, all fees and other
17 moneys received by the secretary of state under this chapter shall be
18 transmitted to the state treasurer for deposit in the state general
19 fund.

20 **Sec. 16.** RCW 19.09.530 and 2007 c 471 s 14 are each amended to
21 read as follows:

22 The charitable organization education account is created in
23 (~~{the}~~) the state treasury. All receipts from the portion of fees
24 (~~((authorized in RCW 19.09.520(1)))~~) designated in section 11 of this act
25 must be deposited into the account. Moneys in the account may be spent
26 only after appropriation. Expenditures from the account may be used
27 only for the charitable organization education program authorized in
28 RCW 19.09.510.

29 NEW SECTION. **Sec. 17.** RCW 19.09.520 (Charitable organization
30 education program--Fees) and 2007 c 471 s 13 are each repealed.

Passed by the House March 17, 2010.

Passed by the Senate April 12, 2010.

Approved by the Governor April 27, 2010.

Filed in Office of Secretary of State April 28, 2010.