

(1) Any person who resides in the state of Washington and who holds a graduate service appointment designated as such by a public institution of higher education or is employed for an academic department in support of the instructional or research programs involving not less than twenty hours per week during the term such person shall hold such appointment.

(2) Any faculty member, classified staff member or administratively exempt employee holding not less than a half time appointment at an institution who resides in the state of Washington, and the dependent children and spouse of such persons.

(3) Active-duty military personnel stationed in the state of Washington and the spouses and dependents of such military personnel.

(4) Any immigrant refugee and the spouse and dependent children of such refugee, if the refugee (a) is on parole status, or (b) has received an immigrant visa, or (c) has applied for United States citizenship.

(5) Domestic exchange students participating in the program created under section 2 of this 1989 act.

Passed the House April 17, 1989.

Passed the Senate April 12, 1989.

Approved by the Governor May 8, 1989.

Filed in Office of Secretary of State May 8, 1989.

CHAPTER 291

[Substitute Senate Bill No. 5543]

NONPROFIT CORPORATIONS—ANNUAL REPORTS AND DESIGNATION AS PUBLIC BENEFIT NONPROFIT CORPORATIONS

AN ACT Relating to nonprofit corporation annual reports; amending RCW 24.03.395, 24.03.005, and 24.03.045; adding new sections to chapter 24.03 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that it is in the public interest to increase the level of accountability to the public of nonprofit corporations through improved reporting, increased consistency between state and federal statutes, and a clear definition of those nonprofit corporations that may hold themselves out as operating to benefit the public.

Sec. 2. Section 80, chapter 235, Laws of 1967 as last amended by section 4, chapter 117, Laws of 1987 and RCW 24.03.395 are each amended to read as follows:

Each domestic corporation, and each foreign corporation authorized to conduct affairs in this state, shall file, within the time prescribed by this chapter, an annual report in the form prescribed by the secretary of state setting forth:

(1) The name of the corporation and the state or country under the laws of which it is incorporated(:);

(2) The address of the registered office of the corporation in this state including street and number and the name of its registered agent in this state at such address, and, in the case of a foreign corporation, the address of its principal office((-));

(3) A brief statement of the character of the affairs which the corporation is actually conducting, or, in the case of a foreign corporation, which the corporation is actually conducting in this state((-));

(4) The names and respective addresses of the directors and officers of the corporation;

(5) An affirmative indication whether or not any change has been made in the corporation's purpose and if so, the nature and reason for the change along with accompanying documentation;

(6) Whether the corporation has filed an internal revenue service form 990 with the internal revenue service, which if filed, shall be made available upon request to the secretary of state's office;

(7) The gross revenue and any unrelated business income as required to be reported under federal law; and

(8) The corporation's unified business identifier number.

The information shall be given as of the date of the execution of the report. It shall be executed by the corporation by an officer of the corporation, or, if the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation by such receiver or trustee.

The secretary of state may provide that correction or updating of information appearing on previous annual filings is sufficient to constitute the current annual filing.

Sec. 3. Section 2, chapter 235, Laws of 1967 as last amended by section 1, chapter 240, Laws of 1986 and RCW 24.03.005 are each amended to read as follows:

As used in this chapter, unless the context otherwise requires, the term:

(1) "Corporation" or "domestic corporation" means a corporation not for profit subject to the provisions of this chapter, except a foreign corporation.

(2) "Foreign corporation" means a corporation not for profit organized under laws other than the laws of this state.

(3) "Not for profit corporation" or "nonprofit corporation" means a corporation no part of the income of which is distributable to its members, directors or officers.

(4) "Articles of incorporation" and "articles" mean the original articles of incorporation and all amendments thereto, and includes articles of merger and restated articles.

(5) "Bylaws" means the code or codes of rules adopted for the regulation or management of the affairs of the corporation irrespective of the name or names by which such rules are designated.

(6) "Member" means an individual or entity having membership rights in a corporation in accordance with the provisions of its articles or incorporation or bylaws.

(7) "Board of directors" means the group of persons vested with the management of the affairs of the corporation irrespective of the name by which such group is designated in the articles or bylaws.

(8) "Insolvent" means inability of a corporation to pay debts as they become due in the usual course of its affairs.

(9) "Duplicate originals" means two copies, original or otherwise, each with original signatures, or one original with original signatures and one copy thereof.

(10) "Conforms to law" as used in connection with duties of the secretary of state in reviewing documents for filing under this chapter, means the secretary of state has determined that the document complies as to form with the applicable requirements of this chapter.

(11) "Effective date" means, in connection with a document filing made by the secretary of state, the date which is shown by affixing a "filed" stamp on the documents. When a document is received for filing by the secretary of state in a form which complies with the requirements of this chapter and which would entitle the document to be filed immediately upon receipt, but the secretary of state's approval action occurs subsequent to the date of receipt, the secretary of state's filing date shall relate back to the date on which the secretary of state first received the document in acceptable form. An applicant may request a specific effective date no more than thirty days later than the receipt date which might otherwise be applied as the effective date.

(12) "Executed by an officer of the corporation," or words of similar import, means that any document signed by such person shall be and is signed by that person under penalties of perjury and in an official and authorized capacity on behalf of the corporation or person making the document submission with the secretary of state.

(13) "An officer of the corporation" means, in connection with the execution of documents submitted for filing with the secretary of state, the president, a vice president, the secretary, or the treasurer of the corporation.

(14) "Public benefit not for profit corporation" or "public benefit non-profit corporation" means a corporation no part of the income of which is distributable to its members, directors, or officers and that holds a current tax exempt status as provided under 26 U.S.C. Sec. 501(c)(3) or is specifically exempted from the requirement to apply for its tax exempt status under 26 U.S.C. Sec. 501(c)(3).

NEW SECTION. Sec. 4. There is hereby established the special designation "public benefit not for profit corporation" or "public benefit non-profit corporation." A corporation may be designated as a public benefit nonprofit corporation if it meets the following requirements:

- (1) The corporation complies with the provisions of this chapter; and
- (2) The corporation holds a current tax exempt status as provided under 26 U.S.C. Sec. 501 (c)(3) or is not required to apply for its tax exempt status under 26 U.S.C. Sec. 501(c)(3).

NEW SECTION. Sec. 5. A temporary designation as a public benefit nonprofit corporation may be provided to a corporation that has applied for tax exempt status under 26 U.S.C. Sec. 501 (c)(3). The temporary designation is valid for up to one year and may be renewed at the discretion of the secretary.

NEW SECTION. Sec. 6. The secretary shall develop an application process for new and existing corporations to apply for public benefit nonprofit corporation status.

NEW SECTION. Sec. 7. The designation "public benefit nonprofit corporation" shall be renewed annually. The secretary may schedule renewals in conjunction with existing corporate renewals.

NEW SECTION. Sec. 8. The secretary may establish fees to cover the cost of renewals.

NEW SECTION. Sec. 9. The secretary may remove a corporation's public benefit nonprofit corporation designation if it does not comply with the provisions of this chapter or does not maintain its exempt status under 26 U.S.C. Sec. 501 (c)(3). The secretary in removing a corporation's public benefit nonprofit corporation status shall comply with administrative procedures provided by this chapter.

Sec. 10. Section 10, chapter 235, Laws of 1967 as last amended by section 39, chapter 55, Laws of 1987 and RCW 24.03.045 are each amended to read as follows:

The corporate name:

(1) Shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation.

(2) Shall not be the same as, or deceptively similar to, the name of any corporation, whether for profit or not for profit, existing under any act of this state, or any foreign corporation, whether for profit or not for profit, authorized to transact business or conduct affairs in this state, any domestic or foreign limited partnership on file with the secretary, or a limited partnership existing under chapter 25.10 RCW, or a corporate name reserved or registered as permitted by the laws of this state. This subsection shall not apply if the applicant files with the secretary of state either of the following:

(a) The written consent of the other corporation, limited partnership, or holder of a reserved name to use the same or deceptively similar name and one or more words are added or deleted to make the name distinguishable

from the other name as determined by the secretary of state, or (b) a certified copy of a final decree of a court of competent jurisdiction establishing the prior right of the applicant to the use of the name in this state.

(3) Shall be transliterated into letters of the English alphabet, if it is not in English.

(4) Shall not include or end with "incorporated," "company," "corporation," "partnership," "limited partnership," or "Ltd.," or any abbreviation thereof, but may use "club," "league," "association," "services," "committee," "fund," "society," "foundation," ".....", a nonprofit corporation," or any name of like import.

(5) May only include the term "public benefit" or names of like import if the corporation has been designated as a public benefit nonprofit corporation by the secretary in accordance with this chapter.

NEW SECTION. Sec. 11. Sections 4 through 9 of this act are each added to chapter 24.03 RCW.

NEW SECTION. Sec. 12. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate April 17, 1989.

Passed the House April 13, 1989.

Approved by the Governor May 8, 1989.

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CHAPTER 292

[Substitute Senate Bill No. 5305]

EQUINE ACTIVITIES—LIMITATIONS ON CIVIL LIABILITY FOR INJURIES RESULTING FROM

AN ACT Relating to liability for injuries or death while engaged in equine activities; and adding new sections to chapter 4.24 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. Unless the context clearly indicates otherwise, the definitions in this section apply to sections 1 through 3 of this act.

(1) "Equine" means a horse, pony, mule, donkey, or hinny.

(2) "Equine activity" means: (a) Equine shows, fairs, competitions, performances, or parades that involve any or all breeds of equines and any of the equine disciplines, including, but not limited to, dressage, hunter and jumper horse shows, grand prix jumping, three-day events, combined training, rodeos, driving, pulling, cutting, polo, steeplechasing, endurance trail riding and western games, and hunting; (b) equine training and/or teaching activities; (c) boarding equines; (d) riding, inspecting, or evaluating an equine belonging to another whether or not the owner has received some