

Any member of the board may be removed by the governor for neglect of duty, misconduct, or malfeasance or misfeasance in office.

Vacancies in the membership of the board shall be filled for the unexpired term by appointment by the governor.

Passed the House March 13, 1987.

Passed the Senate April 7, 1987.

Approved by the Governor April 21, 1987.

Filed in Office of Secretary of State April 21, 1987.

## CHAPTER 117

[Engrossed House Bill No. 520]

### NONPROFIT CORPORATIONS—REINSTATEMENT PROCEDURES MODIFIED— SECRETARY OF STATE FEES REVISED

AN ACT Relating to nonprofit corporations; amending RCW 24.03.386, 24.03.388, 24.03.302, 24.03.395, and 24.03.405; and adding a new section to chapter 24.03 RCW.

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

Sec. 1. Section 57, chapter 240, Laws of 1986 and RCW 24.03.386 are each amended to read as follows:

(1) A corporation revoked under RCW 24.03.380 may apply to the secretary of state for reinstatement within ~~((three))~~ five years after the effective date of revocation. An application filed within such ~~((two))~~ five-year period may be amended or supplemented and any such amendment or supplement shall be effective as of the date of original filing. The application filed under this section shall be filed under and by authority of an officer of the corporation.

(2) The application shall:

(a) State the name of the corporation and, if applicable, the name the corporation had elected to use in this state at the time of revocation, and the effective date of its revocation;

(b) Provide an explanation to show that the grounds for revocation either did not exist or have been eliminated;

(c) State the name of the corporation at the time of reinstatement and, if applicable, the name the corporation elects to use in this state at the time of reinstatement which may be reserved under RCW 24.03.046;

(d) Appoint a registered agent and state the registered office address under RCW 24.03.340; and

(e) Be accompanied by payment of applicable fees and penalties.

(3) If the secretary of state determines that the application conforms to law, and that all applicable fees have been paid, the secretary of state shall cancel the certificate of revocation, prepare and file a certificate of reinstatement, and mail a copy of the certificate of reinstatement to the corporation.

(4) Reinstatement under this section relates back to and takes effect as of the date of revocation. The corporate authority shall be deemed to have continued without interruption from that date.

(5) In the event the application for reinstatement states a corporate name which the secretary of state finds to be contrary to the requirements of RCW 24.03.046, the application, amended application, or supplemental application shall be amended to adopt another corporate name which is in compliance with RCW 24.03.046. In the event the reinstatement application so adopts a new corporate name for use in Washington, the application for authority shall be deemed to have been amended to change the corporation's name to the name so adopted for use in Washington, effective as of the effective date of the certificate of reinstatement.

Sec. 2. Section 58, chapter 240, Laws of 1986 and RCW 24.03.388 are each amended to read as follows:

(1) An application processing fee of ~~((thirty))~~ twenty-five dollars shall be charged for an application for reinstatement under RCW 24.03.386.

(2) An application processing fee of ten dollars shall be charged for each amendment or supplement to an application for reinstatement.

(3) The corporation seeking reinstatement shall file all annual reports and pay the full amount of all annual corporation fees which would have been assessed for the years of the period of administrative revocation, had the corporation been in active status, ~~((and the license fee for the year of reinstatement))~~ including the reinstatement year.

Sec. 3. Section 9, chapter 163, Laws of 1969 ex. sess. as last amended by section 42, chapter 240, Laws of 1986 and RCW 24.03.302 are each amended to read as follows:

A corporation shall be administratively dissolved by the secretary of state upon the conditions prescribed in this section when the corporation:

(1) Has failed to file or complete its annual report within the time required by law; or

(2) Has failed for thirty days to appoint or maintain a registered agent in this state; or

(3) Has failed for thirty days, after change of its registered agent or registered office, to file in the office of the secretary of state a statement of such change.

A corporation shall not be dissolved under this section unless the secretary of state has given the corporation not less than forty-five days' notice of its delinquency or omission, by first class mail, postage prepaid, addressed to the registered office, or, if there is no registered office, to the last known address of any officer or director as shown by the records of the secretary of state, and unless the corporation has failed to correct the omission or delinquency before expiration of the forty-five day period.

When a corporation has given cause for dissolution under this section, and has failed to correct the delinquency or omission as provided in this

section, the secretary of the state shall dissolve the corporation by issuing a certificate of administrative dissolution containing a statement that the corporation has been dissolved and the date and reason for which it was dissolved. The original certificate of administrative dissolution shall be filed in the records of the secretary of state, and a copy of the certificate shall forthwith be mailed to the corporation at its registered office or, if there is no registered office, to the last known address of the corporation or any officer, director, or incorporator of the corporation, as shown by the records of the secretary of state. Upon the filing of the certificate of administrative dissolution, the existence of the corporation shall cease, except as otherwise provided in this chapter, and its name shall be available to and may be adopted by another corporation after the dissolution.

Any notice provided by the secretary of state under this section shall be designed to clearly identify and warn the recipient of the contents thereof. A delinquency notice shall provide a succinct and readable description of the delinquency or omission, the date on which dissolution will occur, and the action necessary to cure the delinquency or omission prior to dissolution.

A corporation which has been dissolved by operation of this section may be reinstated within a period of three years following its dissolution if it shall ~~((file or complete its annual report))~~ complete and file all the annual reports which would have been required for the years of the period of administrative dissolution including those for the reinstatement year or if it shall appoint or maintain a registered agent, or if it shall file with the secretary of state a required statement of change of registered agent or registered office and in addition, if it shall pay a reinstatement fee of twenty-five dollars plus any other fees that may be due and owing the secretary of state. If, during the period of dissolution, another person or corporation has reserved or adopted a corporate name which is identical to or deceptively similar to the dissolved corporation's name, the dissolved corporation seeking reinstatement shall be required to adopt another name consistent with the requirements of this chapter and to amend its articles of incorporation accordingly. When a corporation has been dissolved by operation of this section, remedies available to or against it shall survive in the manner provided in RCW 24.03.300 and the directors of the corporation shall hold the title to the property of the corporation as trustees for the benefit of its creditors and members.

Sec. 4. Section 80, chapter 235, Laws of 1967 as last amended by section 53, chapter 240, Laws of 1986 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 (~~(in the state or country under the laws of which it is incorporated)~~).

(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.

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. 5. Section 82, chapter 235, Laws of 1967 as last amended by section 55, chapter 240, Laws of 1986 and RCW 24.03.405 are each amended to read as follows:

The secretary of state shall charge and collect for:

(1) Filing articles of incorporation and issuing a certificate of incorporation, twenty dollars.

(2) Filing articles of amendment or restatement and issuing a certificate of amendment or a restated certificate of incorporation, ten dollars.

(3) Filing articles of merger or consolidation and issuing a certificate of merger or consolidation, ten dollars.

(4) Filing a statement of change of address of registered office or change of registered agent, or revocation, resignation, affidavit of nonappointment, or any combination of these, five dollars. A separate fee for filing such statement shall not be charged if the statement appears in an amendment to articles of incorporation or in conjunction with the filing of the annual report.

(5) Filing articles of dissolution, no fee.

(6) Filing an application of a foreign corporation for a certificate of authority to conduct affairs in this state and issuing a certificate of authority, twenty dollars.

(7) Filing an application of a foreign corporation for an amended certificate of authority to conduct affairs in this state and issuing an amended certificate of authority, ten dollars.

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

(9) Filing a certificate by a foreign corporation of the appointment of a registered agent, five dollars. A separate fee for filing such certificate shall not be charged if the statement appears (~~in an amendment to the articles of incorporation or~~) in conjunction with the filing of the annual report.

(10) Filing a certificate of election adopting the provisions of chapter 24.03 RCW, twenty dollars.

(11) Filing an application to reserve a corporate name, ten dollars.

(12) Filing a notice of transfer of a reserved corporate name, five dollars.

(13) Filing a name registration, twenty dollars per year, or part thereof.

(14) Filing an annual report of a domestic or foreign corporation, five dollars.

(15) Filing any other statement or report authorized for filing under this chapter, (~~including an annual report, of a domestic or foreign corporation;~~) ten dollars.

NEW SECTION. Sec. 6. A new section is added to chapter 24.03 RCW to read as follows:

The secretary of state may, where exigent or mitigating circumstances are presented, reinstate to full active status any corporation previously in good standing which would otherwise be penalized or lose its active status. Any corporation desiring to seek relief under this section shall, within fifteen days of discovery by corporate officials of the missed filing or lapse, notify the secretary of state in writing. The notification shall include the name and mailing address of the corporation, the corporate officer to whom correspondence should be sent, and a statement under oath by a responsible corporate officer, setting forth the nature of the missed filing or lapse, the circumstances giving rise to the missed filing or lapse, and the relief sought. Upon receipt of the notice, the secretary of state shall investigate the circumstances of the missed filing or lapse. If the secretary of state is satisfied that sufficient exigent or mitigating circumstances exist, that the corporation has demonstrated good faith and a reasonable attempt to comply with the applicable corporate license statutes of this state, that disproportionate harm would occur to the corporation if relief were not granted, and that relief would not be contrary to the public interest expressed in this title, the secretary may issue an order reinstating the corporation and specifying any terms and conditions of the relief. Reinstatement may relate back to the date of lapse or dissolution. If the secretary of state determines the request does not comply with the requirements for relief, the secretary shall issue an order denying the requested relief and stating the reasons for the denial. Any denial of relief by the secretary of state is final and is not appealable. The secretary of state shall keep records of all requests for relief and the disposition of the requests. The secretary of state shall annually report to

the legislature the number of relief requests received in the preceding year and a summary of the secretary's disposition of the requests.

Passed the House March 10, 1987.

Passed the Senate April 7, 1987.

Approved by the Governor April 21, 1987.

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## CHAPTER 118

[House Bill No. 865]

### PUBLIC EMPLOYEES' RETIREMENT SYSTEM—SERVICE CREDIT ALLOWANCE FOR CERTAIN MEMBERS WHO BECOME DISABLED IN THE LINE OF DUTY

AN ACT Relating to continued service credit for duty disability retirement recipients; and amending RCW 41.40.223.

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

Sec. 1. Section 2, chapter 176, Laws of 1986 and RCW 41.40.223 are each amended to read as follows:

Those members subject to this chapter who became disabled in the line of duty on or after March 27, 1984, and who received or are receiving benefits under Title 51 RCW or a similar federal workers' compensation program shall receive or continue to receive service credit subject to the following:

(1) No member may receive more than one month's service credit in a calendar month.

(2) No service credit under this section may be allowed after a member separates or is separated without leave of absence.

(3) Employer contributions shall be paid by the employer at the rate in effect for the period of the service credited.

(4) Employee contributions shall be collected by the employer and paid to the department at the rate in effect for the period of service credited.

(5) Contributions shall be based on the regular compensation which the member would have received had the disability not occurred. If contribution payments are made retroactively, interest shall be charged at the rate set by the director on both employee and employer contributions. No service credit shall be granted until the employee contribution has been paid.

(6) The service and compensation credit shall not be granted for a period to exceed twelve consecutive months.

(7) Nothing in this section shall abridge service credit rights granted in RCW 41.40.220(2) and 41.40.320.