Session of 2017

HOUSE BILL No. 2038

By Committee on Commerce, Labor and Economic Development

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AN ACT concerning business entities; relating to fees for certain filings
 with the secretary of state; exemption for certain veterans and current
 members of the armed forces; amending K.S.A. 56-1a605 and 56a-105
 and K.S.A. 2016 Supp. 17-7506 and 17-76,136 and repealing the
 existing sections.

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7 Be it enacted by the Legislature of the State of Kansas:

8 Section 1. K.S.A. 2016 Supp. 17-7506 is hereby amended to read as 9 follows: 17-7506. (a) *(1)* The secretary of state shall charge each 10 corporation a fee established pursuant to rules and regulations, but not 11 exceeding \$250, for issuing or filing and indexing articles of incorporation 12 of a for-profit or a foreign corporation application.

13 The secretary of state shall not charge a fee for filing and (2)indexing articles of incorporation of a for-profit corporation if such 14 articles of incorporation are filed by or on behalf of a majority 15 16 shareholder of such corporation who is a: (A) Kansas resident; and (B) veteran or current member of the armed forces. As used in this subsection, 17 18 "armed forces" and "veteran" shall have the meanings provided by K.S.A. 19 2016 Supp. 48-3601, and amendments thereto. Such majority shareholder 20 shall provide documentation of residency and military status as deemed 21 necessarv by the secretary of state.

(b) (1) The secretary of state shall charge each corporation a fee
 established by rules and regulations, but not exceeding \$50, for articles of
 incorporation of a nonprofit corporation.

25 (2) The secretary of state shall not charge a fee for filing and 26 indexing articles of incorporation of a nonprofit corporation if such 27 articles of incorporation are filed by or on behalf of an officer or director 28 of such nonprofit corporation who is a: (A) Kansas resident; and (B) 29 veteran or current member of the armed forces. As used in this subsection, 30 "armed forces" and "veteran" shall have the meanings provided by K.S.A. 31 2016 Supp. 48-3601, and amendments thereto. Such officer or director 32 shall provide documentation of residency and military status as deemed 33 necessarv by the secretary of state.

(c) The secretary of state shall charge each corporation a fee
 established by rules and regulations, but not exceeding \$150, for issuing or
 filing and indexing any of the corporate documents described below:

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1 (1) Certificate of extension, restoration, renewal or revival of articles 2 of incorporation;

(2) certificate of amendment of articles of incorporation, either prior 3 4 to or after payment of capital; 5

(3) certificate of designation of preferences;

(4) certificate of retirement of preferred stock:

(5) certificate of increase or reduction of capital;

8 (6) certificate of dissolution, either prior to or after beginning 9 business:

(7) certificate of revocation of voluntary dissolution;

(8) certificate of change of location of registered office and resident 11 12 agent;

(9) agreement of merger or consolidation;

(10) certificate of ownership and merger; 14

(11) certificate of extension, restoration, renewal or revival of a 15 16 certificate of authority of foreign corporation to do business in Kansas;

17 change of resident agent or amendment by foreign corporation; (12)

certificate of withdrawal of foreign corporation; (13)

19 (14)certificate of correction of any of the instruments designated in 20 this section:

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(15) reservation of corporate name; 22 (16) restated articles of incorporation;

23 (17) annual report extension; and

(18) certificate of validation. 24

(d) The secretary of state shall charge each corporation a fee 25 established pursuant to rules and regulations but not exceeding \$50 for 26 issuing certified copies, photocopies, certificates of good standing and 27 28 certificates of fact; and any other certificate or filing for which a filing or 29 indexing fee is not prescribed by law.

(e) The secretary of state shall not charge fees for providing the 30 following information: Name of the corporation; address of its registered 31 office and the name of its resident agent; the amount of its authorized 32 capital stock; the state of its incorporation; date of filing of articles of 33 34 incorporation, foreign corporation application or annual report; and date of 35 expiration.

36 (f) The secretary of state shall prescribe by rules and regulations any 37 fees required by this act.

38 Sec. 2. K.S.A. 2016 Supp. 17-76,136 is hereby amended to read as 39 follows: 17-76,136. (a) The secretary of state shall charge each domestic and foreign limited liability company the following fees: 40

(1) A fee of \$20 for issuing or filing and indexing any of the 41 42 following documents:

43 (A) A certificate of amendment of articles of organization;

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- 1 (B) restated articles of organization; 2
 - a certificate of cancellation; (C)
- 3 a certificate of change of location of registered office or resident (D) 4 agent: 5
 - (E) a certificate of merger or consolidation; and

6 any certificate, affidavit, agreement or any other paper provided (F) 7 for in this act, for which no different fee is specifically prescribed;

8 (2) a fee of \$7.50 for each certified copy plus a fee per page, if the 9 secretary of state supplies the copies, in an amount fixed by the secretary 10 of state and approved by the director of accounts and reports for copies of corporate documents under K.S.A. 45-204, and amendments thereto; 11

12 (3) a fee of \$7.50 for each certificate of good standing and certificate 13 of fact issued by the secretary of state;

(4) a fee of \$5 for a report of record search, but furnishing the 14 following information shall not be considered a record search and no 15 16 charge shall be made therefor: Name of the limited liability company and 17 the address of its registered office; name and address of the resident agent; the state of the limited liability company's formation; the date of filing of 18 19 its articles of organization or annual report; and date of expiration; and

20 (5) for photocopies of instruments on file or prepared by the secretary 21 of state's office and which are not certified, a fee per page in an amount 22 fixed by the secretary of state and approved by the director of accounts and 23 reports for copies of corporate documents under K.S.A. 45-204, and 24 amendments thereto.

25 (b) (1) Every limited liability company hereafter formed in this state shall pay to the secretary of state, at the time of filing its articles of 26 27 organization, an application and recording fee of \$150.

28 (2) The secretary of state shall not charge such application and 29 recording fee if such articles of organization are filed by or on behalf of a 30 member of such limited liability company who is a: (A) Kansas resident; 31 and (B) veteran or current member of the armed forces. As used in this subsection, "armed forces" and "veteran" shall have the meanings 32 33 provided by K.S.A. 2016 Supp. 48-3601, and amendments thereto. Such 34 member shall provide documentation of residency and military status as 35 deemed necessary by the secretary of state.

36 (c) At the time of filing its application to do business, every foreign 37 limited liability company shall pay to the secretary of state an application 38 and recording fee of \$150.

39 (d) The fee for filing a certificate of reinstatement shall be the same 40 as that prescribed by K.S.A. 17-7506, and amendments thereto, for filing a 41 certificate of reinstatement of a corporation's articles of incorporation.

Sec. 3. K.S.A. 56-1a605 is hereby amended to read as follows: 56-42 43 1a605. (a) The secretary of state shall charge each domestic and foreign 1 limited partnership the following fees:

2 (1) For issuing or filing and indexing any of the documents described 3 below, a fee of \$20:

(A) A certificate of amendment of limited partnership;

(B) a restated certificate of limited partnership;

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(C) a certificate of cancellation of limited partnership;

7 (D) a certificate of change of location of registered office or 8 registered agent; and

9 (E) any certificate, affidavit, agreement or any other paper provided 10 for in this act, for which no different fee is specifically prescribed;

11 (2) for certified copies, a fee of \$7.50 for each copy certified plus a 12 fee per page, if the secretary of state supplies the copies, in an amount 13 fixed by the secretary of state and approved by the director of accounts and 14 reports for copies of corporate documents under K.S.A. 45-204, and 15 amendments thereto;

16 (3) for each certificate of good standing and certificate of fact issuedby the secretary of state, a fee of \$7.50;

(4) for a report of record search, a fee of \$5, but furnishing the following information shall not be considered a record search and no charge shall be made therefor: name of the limited partnership and the address of its registered office; name and address of the resident agent; the state of the limited partnership's formation; the date of filing of its certificate of limited partnership or annual report; and date of expiration; and

(5) for photocopies of instruments on file or prepared by the secretary of state's office and which are not certified, a fee per page in an amount fixed by the secretary of state and approved by the director of accounts and reports for copies of corporate documents under K.S.A. 45-204, and amendments thereto.

(b) (1) Every limited partnership hereafter formed in this state shall
pay to the secretary of state at the time of filing its certificate of limited
partnership, an application and recording fee of \$150.

33 (2) The secretary of state shall not charge an application and recording fee for filing a certificate of limited partnership if such 34 35 certificate of limited partnership is filed by or on behalf of a general 36 partner of such limited partnership who is a: (A) Kansas resident; and (B) 37 veteran or current member of the armed forces. As used in this subsection, 38 "armed forces" and "veteran" shall have the meanings provided by K.S.A. 39 2016 Supp. 48-3601, and amendments thereto. Such general partner shall 40 provide documentation of residency and military status as deemed 41 necessary by the secretary of state.

42 (c) At the time of filing its application to do business, every foreign 43 limited partnership shall pay to the secretary of state an application and 1 recording fee of \$150.

2 (d) The secretary of state shall not charge any fees for the documents
3 or services described in this section upon an official request by any agency
4 of this state or of the United States, or by any officer or employee thereof.

5 Sec. 4. K.S.A. 56a-105 is hereby amended to read as follows: 56a-6 105. (a) A statement may be filed in the office of the secretary of state. A 7 certified copy of a statement that is filed in an office in another state may 8 be filed in the office of the secretary of state. Any statement may be filed 9 by telefacsimile communication if the telefacsimile communication is accompanied with the appropriate fee and meets statutory requirements it 10 shall be effective upon its filing date. Each filing has the effect provided in 11 12 this act with respect to partnership property located in or transactions that 13 occur in this state.

(b) A certified copy of a statement that has been filed in the office of the secretary of state and recorded in the office for recording transfers of real property has the effect provided for recorded statements in this act. A recorded statement that is not a certified copy of a statement filed in the office of the secretary of state does not have the effect provided for recorded statements in this act.

(c) A statement filed by a partnership must be executed by at least
two partners. Other statements must be executed by a partner or other
person authorized by this act. An individual who executes a statement as,
or on behalf of, a partner or other person named as a partner in a statement
shall personally declare under penalty of perjury that the contents of the
statement are accurate.

(d) A person authorized by this act to file a statement may amend or
cancel the statement by filing an amendment or cancellation that names the
partnership, identifies the statement, and states the substance of the
amendment or cancellation.

(e) A person who files a statement pursuant to this section shall
promptly send a copy of the statement to every nonfiling partner and to
any other person named as a partner in the statement. Failure to send a
copy of a statement to a partner or other person does not limit the
effectiveness of the statement as to a person not a partner.

(f) (1) The secretary of state may collect a fee for filing or providing a
 certified copy of a statement. The officer responsible for recording
 transfers of real property may collect a fee for recording a statement.

(2) The secretary of state shall not charge a fee for filing a statement
of qualification under K.S.A. 56a-1001, and amendments thereto, if such
statement of qualification is filed by or on behalf of a general partner of
such limited liability partnership who is a: (A) Kansas resident; and (B)
veteran or current member of the armed forces. As used in this subsection,
"armed forces" and "veteran" shall have the meanings provided by K.S.A.

1 2016 Supp. 48-3601, and amendments thereto. Such general partner shall 2 provide documentation of residency and military status as deemed

3 *necessary by the secretary of state.*

4 (g) The secretary of state shall set by rules and regulations any fees 5 provided by this act.

6 (h) The secretary of state shall prescribe a telefacsimile fee in addition to any filing fees to cover the costs of the services. The fee must be paid prior to acceptance of a telefacsimile communication under this section. The telefacsimile communication fee shall be deposited into the information and copy fee fund. As used in this section, telefacsimile communication means the use of electronic equipment to send or transfer a document.

(i) Any signature on documents authorized to be filed with the
 secretary of state under the provisions of this chapter may be a facsimile, a
 conformed signature or an electronically transmitted signature.

Sec. 5. K.S.A. 56-1a605 and 56a-105 and K.S.A. 2016 Supp. 17-7506
and 17-76,136 are hereby repealed.

18 Sec. 6. This act shall take effect and be in force from and after its19 publication in the statute book.