

ASSEMBLY BILL

No. 871

Introduced by Assembly Member Brown

February 26, 2015

An act to amend Sections 1502, 6210, 8210, 12570, and 17702.09 of the Corporations Code, relating to business filings.

LEGISLATIVE COUNSEL'S DIGEST

AB 871, as introduced, Brown. Business filings: statement of information.

Existing law requires a corporation, a nonprofit public benefit corporation, a nonprofit mutual benefit corporation, a nonprofit religious corporation, a consumer cooperative corporation, and a limited liability company to file annually or biennially, as provided, a statement with the Secretary of State containing specified information during the calendar month during which the organization's original articles were filed or during the immediately preceding 5 calendar months. Existing law requires the Secretary of State to provide notice to each organization to comply with this provision approximately 3 months prior to the close of the applicable filing period.

This bill would instead require all corporations to file their statement of information forms by March 15th all limited liability companies to file by April 15th and all nonprofit corporations to file by May 15th of each year.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1502 of the Corporations Code is
2 amended to read:

3 1502. (a) Every corporation shall file, within 90 days after the
4 filing of its original articles and annually thereafter ~~during~~ by the
5 applicable filing ~~period~~, *date*, on a form prescribed by the Secretary
6 of State, a statement containing all of the following:

7 (1) The name of the corporation and the Secretary of State's
8 file number.

9 (2) The names and complete business or residence addresses of
10 its incumbent directors.

11 (3) The number of vacancies on the board, if any.

12 (4) The names and complete business or residence addresses of
13 its chief executive officer, secretary, and chief financial officer.

14 (5) The street address of its principal executive office.

15 (6) The mailing address of the corporation, if different from the
16 street address of its principal executive office.

17 (7) If the address of its principal executive office is not in this
18 state, the street address of its principal business office in this state,
19 if any.

20 (8) If the corporation chooses to receive renewal notices and
21 any other notifications from the Secretary of State by electronic
22 mail instead of by United States mail, the corporation shall include
23 a valid electronic mail address for the corporation or for the
24 corporation's designee to receive those notices.

25 (9) A statement of the general type of business that constitutes
26 the principal business activity of the corporation (for example,
27 manufacturer of aircraft; wholesale liquor distributor; or retail
28 department store).

29 (b) The statement required by subdivision (a) shall also
30 designate, as the agent of the corporation for the purpose of service
31 of process, a natural person residing in this state or a corporation
32 that has complied with Section 1505 and whose capacity to act as
33 an agent has not terminated. If a natural person is designated, the
34 statement shall set forth that person's complete business or
35 residence street address. If a corporate agent is designated, no
36 address for it shall be set forth.

37 (c) If there has been no change in the information in the last
38 filed statement of the corporation on file in the Secretary of State's

1 office, the corporation may, in lieu of filing the statement required
2 by subdivisions (a) and (b), advise the Secretary of State, on a
3 form prescribed by the Secretary of State, that no changes in the
4 required information have occurred during the applicable filing
5 period.

6 (d) For the purposes of this section, the applicable filing ~~period~~
7 ~~date~~ for a corporation shall be ~~the calendar month during which~~
8 ~~its original articles were filed and the immediately preceding five~~
9 ~~calendar months~~ *March 15*. The Secretary of State shall provide
10 a notice to each corporation to comply with this section
11 approximately three months prior to the ~~close of the applicable~~
12 ~~filing period.~~ *date*. The notice shall state the due date for
13 compliance and shall be sent to the last address of the corporation
14 according to the records of the Secretary of State or to the last
15 electronic mail address according to the records of the Secretary
16 of State if the corporation has elected to receive notices from the
17 Secretary of State by electronic mail. The failure of the corporation
18 to receive the notice is not an excuse for failure to comply with
19 this section.

20 (e) Whenever any of the information required by subdivision
21 (a) is changed, the corporation may file a current statement
22 containing all the information required by subdivisions (a) and
23 (b). In order to change its agent for service of process or the address
24 of the agent, the corporation must file a current statement
25 containing all the information required by subdivisions (a) and
26 (b). Whenever any statement is filed pursuant to this section, it
27 supersedes any previously filed statement and the statement in the
28 articles as to the agent for service of process and the address of
29 the agent.

30 (f) The Secretary of State may destroy or otherwise dispose of
31 any statement filed pursuant to this section after it has been
32 superseded by the filing of a new statement.

33 (g) This section shall not be construed to place any person
34 dealing with the corporation on notice of, or under any duty to
35 inquire about, the existence or content of a statement filed pursuant
36 to this section.

37 (h) The statement required by subdivision (a) shall be available
38 and open to the public for inspection. The Secretary of State shall
39 provide access to all information contained in this statement by
40 means of an online database.

1 (i) In addition to any other fees required, a corporation shall
2 pay a five-dollar (\$5) disclosure fee when filing the statement
3 required by subdivision (a). One-half of the fee shall,
4 notwithstanding Section 12176 of the Government Code, be
5 deposited into the Business Programs Modernization Fund
6 established in subdivision (k), and one-half shall be deposited into
7 the Victims of Corporate Fraud Compensation Fund established
8 in Section 2280.

9 (j) A corporation shall certify that the information it provides
10 pursuant to subdivisions (a) and (b) is true and correct. No claim
11 may be made against the state for inaccurate information contained
12 in the statements.

13 (k) There is hereby established the Business Programs
14 Modernization Fund in the State Treasury. Moneys deposited into
15 the fund shall, upon appropriation by the Legislature, be available
16 to the Secretary of State to further the purposes of this section,
17 including the development and maintenance of the online database
18 required by subdivision (h), and by subdivision (c) of Section 2117.

19 SEC. 2. Section 6210 of the Corporations Code is amended to
20 read:

21 6210. (a) Every corporation shall, within 90 days after the
22 filing of its original articles and biennially thereafter ~~during~~ *on* the
23 applicable filing ~~period~~, *date*, file, on a form prescribed by the
24 Secretary of State, a statement containing: (1) the name of the
25 corporation and the Secretary of State's file number; (2) the names
26 and complete business or residence addresses of its chief executive
27 officer, secretary, and chief financial officer; (3) the street address
28 of its principal office in this state, if any; (4) the mailing address
29 of the corporation, if different from the street address of its
30 principal executive office or if the corporation has no principal
31 office address in this state; and (5) if the corporation chooses to
32 receive renewal notices and any other notifications from the
33 Secretary of State by electronic mail instead of by United States
34 mail, a valid electronic mail address for the corporation or for the
35 corporation's designee to receive those notices.

36 (b) The statement required by subdivision (a) shall also
37 designate, as the agent of the corporation for the purpose of service
38 of process, a natural person residing in this state or any domestic
39 or foreign or foreign business corporation that has complied with
40 Section 1505 and whose capacity to act as an agent has not

1 terminated. If a natural person is designated, the statement shall
2 set forth the person's complete business or residence street address.
3 If a corporate agent is designated, no address for it shall be set
4 forth.

5 (c) For the purposes of this section, the applicable filing period
6 for a corporation shall be ~~the calendar month during which its~~
7 ~~original articles were filed and the immediately preceding five~~
8 ~~calendar months~~ *May 15*. The Secretary of State shall provide a
9 notice to each corporation to comply with this section
10 approximately three months prior to the ~~close of the applicable~~
11 ~~filing period.~~ *date*. The notice shall state the due date for
12 compliance and shall be sent to the last address of the corporation
13 according to the records of the Secretary of State or to the last
14 electronic mail address according to the records of the Secretary
15 of State if the corporation has elected to receive notices from the
16 Secretary of State by electronic mail. Neither the failure of the
17 Secretary of State to send the notice nor the failure of the
18 corporation to receive it is an excuse for failure to comply with
19 this section.

20 (d) Whenever any of the information required by subdivision
21 (a) is changed, the corporation may file a current statement
22 containing all the information required by subdivisions (a) and
23 (b). In order to change its agent for service of process or the address
24 of the agent, the corporation must file a current statement
25 containing all the information required by subdivisions (a) and
26 (b). Whenever any statement is filed pursuant to this section, it
27 supersedes any previously filed statement and the statement in the
28 articles as to the agent for service of process and the address of
29 the agent.

30 (e) The Secretary of State may destroy or otherwise dispose of
31 any statement filed pursuant to this section after it has been
32 superseded by the filing of a new statement.

33 (f) This section shall not be construed to place any person
34 dealing with the corporation on notice of, or under any duty to
35 inquire about, the existence or content of a statement filed pursuant
36 to this section.

37 SEC. 3. Section 8210 of the Corporations Code is amended to
38 read:

39 8210. (a) Every corporation shall, within 90 days after the
40 filing of its original articles and biennially thereafter ~~during~~ *by* the

1 applicable filing ~~period~~, *date*, file, on a form prescribed by the
2 Secretary of State, a statement containing: (1) the name of the
3 corporation and the Secretary of State's file number; (2) the names
4 and complete business or residence addresses of its chief executive
5 officer, secretary, and chief financial officer; (3) the street address
6 of its principal office in this state, if any; (4) the mailing address
7 of the corporation, if different from the street address of its
8 principal executive office or if the corporation has no principal
9 office address in this state; and (5) if the corporation chooses to
10 receive renewal notices and any other notifications from the
11 Secretary of State by electronic mail instead of by United States
12 mail, a valid electronic mail address for the corporation or for the
13 corporation's designee to receive those notices.

14 (b) The statement required by subdivision (a) shall also
15 designate, as the agent of the corporation for the purpose of service
16 of process, a natural person residing in this state or any domestic
17 or foreign or foreign business corporation that has complied with
18 Section 1505 and whose capacity to act as an agent has not
19 terminated. If a natural person is designated, the statement shall
20 set forth the person's complete business or residence street address.
21 If a corporate agent is designated, no address for it shall be set
22 forth.

23 (c) For the purposes of this section, the applicable filing ~~period~~
24 *date* for a corporation shall be ~~the calendar month during which~~
25 ~~its original articles were filed and the immediately preceding five~~
26 ~~calendar months~~ *May 15*. The Secretary of State shall provide a
27 notice to each corporation to comply with this section
28 approximately three months prior to the ~~close of the applicable~~
29 ~~filing period~~. *date*. The notice shall state the due date for
30 compliance and shall be sent to the last address of the corporation
31 according to the records of the Secretary of State or to the last
32 electronic mail address according to the records of the Secretary
33 of State if the corporation has elected to receive notices from the
34 Secretary of State by electronic mail. Neither the failure of the
35 Secretary of State to send the notice nor the failure of the
36 corporation to receive it is an excuse for failure to comply with
37 this section.

38 (d) Whenever any of the information required by subdivision
39 (a) is changed, the corporation may file a current statement
40 containing all the information required by subdivisions (a) and

1 (b). In order to change its agent for service of process or the address
2 of the agent, the corporation must file a current statement
3 containing all the information required by subdivisions (a) and
4 (b). Whenever any statement is filed pursuant to this section, it
5 supersedes any previously filed statement and the statement in the
6 articles as to the agent for service of process and the address of
7 the agent.

8 (e) The Secretary of State may destroy or otherwise dispose of
9 any statement filed pursuant to this section after it has been
10 superseded by the filing of a new statement.

11 (f) This section shall not be construed to place any person
12 dealing with the corporation on notice of, or under any duty to
13 inquire about, the existence or content of a statement filed pursuant
14 to this section.

15 SEC. 4. Section 12570 of the Corporations Code is amended
16 to read:

17 12570. (a) Every corporation shall, within 90 days after the
18 filing of its original articles and annually thereafter ~~during~~ by the
19 applicable filing ~~period~~ *date* in each year, file, on a form prescribed
20 by the Secretary of State, a statement containing: (1) the name of
21 the corporation and the Secretary of State's file number; (2) the
22 names and complete business or residence addresses of its chief
23 executive officer or general manager, secretary, and chief financial
24 officer; (3) the street address of its principal office in this state, if
25 any; (4) the mailing address of the corporation, if different from
26 the street address of its principal office in this state; and (5) if the
27 corporation chooses to receive renewal notices and any other
28 notifications from the Secretary of State by electronic mail instead
29 of by United States mail, the corporation shall include a valid
30 electronic mail address for the corporation or for the corporation's
31 designee to receive those notices.

32 (b) The statement required by subdivision (a) shall also
33 designate, as the agent of the corporation for the purpose of service
34 of process, a natural person residing in this state or any domestic
35 or foreign corporation that has complied with Section 1505 and
36 whose capacity to act as an agent has not terminated. If a natural
37 person is designated, the statement shall set forth the person's
38 complete business or residence street address. If a corporate agent
39 is designated, no address for it shall be set forth.

1 (c) For the purposes of this section, the applicable filing period
2 *date* for a corporation shall be ~~the calendar month during which~~
3 ~~its original articles were filed and the immediately preceding five~~
4 ~~calendar months~~ *March 15*. The Secretary of State shall provide
5 a notice to each corporation to comply with this section
6 approximately three months prior to ~~the close of the~~ applicable
7 ~~filing period~~ *date*. The notice shall state the due date for
8 compliance and shall be sent to the last address of the corporation
9 according to the records of the Secretary of State or to the last
10 electronic mail address according to the records of the Secretary
11 of State if the corporation has elected to receive notices from the
12 Secretary of State by electronic mail. Neither the failure of the
13 Secretary of State to send the notice nor the failure of the
14 corporation to receive it is an excuse for failure to comply with
15 this section.

16 (d) Whenever any of the information required by subdivision
17 (a) is changed, the corporation may file a current statement
18 containing all the information required by subdivisions (a) and
19 (b). In order to change its agent for service of process or the address
20 of the agent, the corporation must file a current statement
21 containing all the information required by subdivisions (a) and
22 (b). Whenever any statement is filed pursuant to this section, it
23 supersedes any previously filed statement and the statement in the
24 articles as to the agent for service of process and the address of
25 the agent.

26 (e) The Secretary of State may destroy or otherwise dispose of
27 any statement filed pursuant to this section after it has been
28 superseded by the filing of a new statement.

29 (f) This section shall not be construed to place any person
30 dealing with the corporation on notice of, or under any duty to
31 inquire about, the existence or content of a statement filed pursuant
32 to this section.

33 SEC. 5. Section 17702.09 of the Corporations Code is amended
34 to read:

35 17702.09. (a) Every limited liability company and every
36 foreign limited liability company registered to transact intrastate
37 business in this state shall deliver to the Secretary of State for filing
38 within 90 days after the filing of its original articles of organization
39 or registering to transact intrastate business and biennially
40 thereafter ~~during~~ *by* the applicable filing period, *date*, on a form

1 prescribed by the Secretary of State, a statement of information
2 containing:

3 (1) The name of the limited liability company and the Secretary
4 of State's file number and, in the case of a foreign limited liability
5 company, the name under which the foreign limited liability
6 company is authorized to transact intrastate business in this state
7 and the state or other jurisdiction under the laws of which it is
8 organized.

9 (2) The name and street address of the agent in this state for
10 service of process required to be maintained pursuant to Section
11 17701.13. If a corporate agent is designated, only the name of the
12 agent shall be set forth.

13 (3) The street address of its principal office. In the case of a
14 foreign limited liability company, the street address of its principal
15 business office in this state, if any, and, in the case of a domestic
16 limited liability company, the street address of the office required
17 to be maintained pursuant to Section 17701.13.

18 (4) The mailing address of the limited liability company or
19 foreign limited liability company, if different from the street
20 address of its principal office, or principal business office in this
21 state, or, in the case of a domestic limited liability company, the
22 street address of the office required to be maintained pursuant to
23 Section 17701.13.

24 (5) The name and complete business or residence addresses of
25 any manager or managers and the chief executive officer, if any,
26 appointed or elected in accordance with the articles of organization
27 or operating agreement or, if no manager has been so elected or
28 appointed, the name and business or residence address of each
29 member.

30 (6) If the limited liability company or foreign limited liability
31 company chooses to receive renewal notices and any other
32 notifications from the Secretary of State by electronic mail instead
33 of by United States mail, the limited liability company or foreign
34 limited liability company shall include a valid electronic mail
35 address for the limited liability company or foreign limited liability
36 company, or for the limited liability company's or foreign limited
37 liability company's designee to receive those notices.

38 (7) The general type of business that constitutes the principal
39 business activity of the limited liability company or foreign limited

1 liability company, such as, for example, manufacture of aircraft,
2 wholesale liquor distributor, or retail department store.

3 (b) If there has been no change in the information contained in
4 the last filed statement of information of the limited liability
5 company or foreign limited liability company on file in the office
6 of Secretary of State, the limited liability company or foreign
7 limited liability company may, in lieu of filing the statement of
8 information required by subdivision (a), advise the Secretary of
9 State, on a form prescribed by the Secretary of State, that no
10 changes in the required information have occurred during the
11 applicable filing period.

12 (c) For purposes of this section, the applicable filing ~~period~~ for
13 a limited liability company shall be ~~the calendar month during~~
14 ~~which its original articles of organization was filed or, in the case~~
15 ~~of a foreign limited liability company, the month during which its~~
16 ~~application for registration was filed, and the immediately~~
17 ~~preceding five calendar months~~ *April 15*. The Secretary of State
18 shall provide a notice to each limited liability company or foreign
19 limited liability company to comply with this section approximately
20 three months prior to ~~the close of the applicable filing period:~~ *date*.
21 The notice shall state the due date for compliance and shall be sent
22 to the last mailing address of the limited liability company or
23 foreign limited liability company according to the records of the
24 Secretary of State, or if none, to the street address of the principal
25 office, or, in the case of a domestic limited liability company, the
26 office required to be maintained pursuant to Section 17701.13, or
27 to the last electronic mail address according to the records of the
28 Secretary of State if the limited liability company or foreign limited
29 liability company has elected to receive notices from the Secretary
30 of State by electronic mail. The failure of the limited liability
31 company or foreign limited liability company to receive the notice
32 shall not exempt the limited liability company or foreign limited
33 liability company from complying with this section.

34 (d) Whenever any of the information required by subdivision
35 (a) changes, other than the name and address of the agent for
36 service of process, the limited liability company or foreign limited
37 liability company may file a current statement containing all the
38 information required by subdivision (a). When changing its agent
39 for service of process or when the address of the agent changes,
40 the limited liability company or foreign limited liability company

1 shall file a current statement containing all the information required
2 by subdivision (a). Whenever any statement is filed pursuant to
3 this section, that statement supersedes any previously filed
4 statement pursuant to this section, the statement in the original
5 articles of organization, and the statement in any previously filed
6 amended or restated articles of organization that have been filed,
7 or in the case of a foreign limited liability company, in the
8 application for registration.

9 (e) If a statement of information delivered to the Secretary of
10 State for filing under this section does not contain the information
11 required by subdivision (a), the Secretary of State shall promptly
12 return the statement of information to the reporting limited liability
13 company or foreign limited liability company for correction.

14 (f) The Secretary of State may destroy or otherwise dispose of
15 any statement filed pursuant to this section after it has been
16 superseded by the filing of a new statement.