

CS FOR HOUSE BILL NO. 452(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Offered: 5/1/98

Referred: Rules

Sponsor(s): REPRESENTATIVE GREEN

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to disclosures and reports by certain nonprofit corporations."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 10.20.325 is amended to read:

4 **Sec. 10.20.325. Grounds for involuntary dissolution.** A corporation may be
5 dissolved involuntarily by the commissioner when it is established that **the**
6 **corporation**

7 (1) [THE CORPORATION] has failed to file its biennial report **or a**
8 **report required by AS 10.20.633** within the time required by this chapter;

9 (2) [THE CORPORATION] procured its articles of incorporation
10 through fraud;

11 (3) [THE CORPORATION] has continued to exceed or abuse the
12 authority conferred upon it by law;

13 (4) [THE CORPORATION] has failed for 30 days to appoint and
14 maintain a registered agent in the state;

15 (5) [THE CORPORATION] has failed for 30 days after change of its

1 registered office or registered agent to file in the office of the commissioner a
2 statement of the change;

3 (6) [THE CORPORATION] has failed, within the time required by this
4 chapter, to revoke or complete a plan of voluntary dissolution; [OR]

5 (7) [THE CORPORATION] is 90 days delinquent in filing a notice of
6 change of an officer or director as required by this chapter.

7 * **Sec. 2.** AS 10.20.345 is amended to read:

8 **Sec. 10.20.345. Removal of ground for dissolution.** If the corporation,
9 within the time required by this chapter, files its biennial report, **files a report**
10 **required by AS 10.20.633**, [OR] appoints or maintains a registered agent as provided
11 in this chapter, [OR] files with the commissioner the required statement of change of
12 registered office or registered agent, or revokes or concludes a plan of voluntary
13 dissolution, the commissioner's authority to involuntarily dissolve the corporation
14 ceases.

15 * **Sec. 3.** AS 10.20.585 is amended to read:

16 **Sec. 10.20.585. Revocation of certificate of authority.** The certificate of
17 authority of a foreign corporation to transact business in the state may be revoked by
18 the commissioner when

19 (1) the corporation fails to file its biennial report **or a report required**
20 **by AS 10.20.633** within the time required by this chapter, or fails to pay fees or
21 penalties prescribed in this chapter when they are due and payable;

22 (2) the corporation fails to appoint and maintain a registered agent in
23 this state;

24 (3) the corporation fails, after change of its registered office or
25 registered agent, to file with the commissioner a statement of the change as required
26 by this chapter;

27 (4) the corporation fails to file with the department an amendment to
28 its articles of incorporation or articles of merger within the time prescribed by this
29 chapter;

30 (5) a misrepresentation has been made of a material matter in an
31 application, report, affidavit, or other document submitted under this chapter; or

1 (6) the corporation is 90 days delinquent in filing a notice of change
2 of an officer or director as required by this chapter.

3 * **Sec. 4.** AS 10.20.590 is amended to read:

4 **Sec. 10.20.590. Limitations on revocation of certificate of authority.** The
5 commissioner may not revoke a certificate of authority of a foreign corporation unless

6 (1) the commissioner has given the corporation at least 60 days' notice
7 by mail addressed to its registered office in the state; and

8 (2) the corporation fails, before revocation, to file the annual report **or**
9 **the report required by AS 10.20.633**, or pay the fees, or file the required statement
10 of change of registered agent or registered office, or file the articles of amendment or
11 articles of merger, or correct the misrepresentation.

12 * **Sec. 5.** AS 10.20 is amended by adding a new section to article 7 to read:

13 **Sec. 10.20.633. Additional reporting requirement for certain corporations.**

14 (a) In addition to the biennial report required under AS 10.20.620, a public benefit
15 corporation that is a domestic corporation or that is a foreign corporation transacting
16 business in the state, and that received an aggregate of \$5,000 or more during the
17 calendar year of the corporation from other corporations shall file with the department
18 by July 1 each year on forms provided by the department a report that lists all
19 payments received by the public benefit corporation from other corporations or from
20 third persons transmitting the payments from other corporations. The list must include
21 the full name and address of the principal office of each of the other corporations that
22 make the payments, the amounts of the payments, and the purpose of the payments.
23 The report required under this section that is due the same year as the public benefit
24 corporation's biennial report may be included in the biennial report.

25 (b) In this section,

26 (1) "mutual benefit corporation" means a nonprofit corporation that is
27 organized primarily for the benefit of its members;

28 (2) "nonprofit corporation" means a corporation that is exempt from
29 federal taxation under 26 U.S.C. 501(c)(3) (Internal Revenue Code);

30 (3) "other corporation" means any other corporation, including
31 corporations that are organized

1 (A) under the laws of this state or under the laws of another
2 jurisdiction;

3 (B) for profit or not for a profit;

4 (4) "public benefit corporation" means a nonprofit corporation that is
5 not a mutual benefit corporation, that is organized under this chapter, and that

6 (A) is organized for a public or charitable purpose;

7 (B) derives more than 10 percent of its annual income from
8 donations; or

9 (C) does not have voting members or whose only members are
10 its directors or officers.

11 * **Sec. 6.** AS 10.20.645(a) is amended to read:

12 (a) A domestic or foreign corporation that fails or refuses to file its biennial
13 report **or a report required by AS 10.20.633** for any required reporting period within
14 the time prescribed by this chapter is subject to a penalty of \$5 to be assessed by the
15 commissioner.