

Senate Bill No. 316

(By Senators D. Hall, Leonhardt, Trump, Stollings, Plymale, Kirkendoll and Nohe)

[Introduced January 27, 2015; referred to the Committee on Military; and then to the Committee
on Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §59-1-2 and §59-1-2a of the Code of West Virginia, 1931, as amended, all relating to defining a “veteran-owned business” and exempting such businesses from initial registration and certain annual report fees paid to the Secretary of State.

Be it enacted by the Legislature of West Virginia:

That §59-1-2 and §59-1-2a of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

ARTICLE 1. FEES AND ALLOWANCES.

§59-1-2. Fees to be charged by Secretary of State.

(a) Except as may be otherwise provided in this code, the Secretary of State shall charge for services rendered in his or her office the following fees to be paid by the person to whom the service is rendered at the time it is done:

(1) For filing, recording, indexing, preserving a record of and issuing a certificate relating to the formation, amendment, change of name, registration of trade name, merger, consolidation,

1 conversion, renewal, dissolution, termination, cancellation, withdrawal revocation and reinstatement
2 of business entities organized within the state, as follows:

3 (A) Articles of incorporation of for-profit corporation. \$50.00
4 (B) Articles of incorporation of nonprofit corporation. 25.00
5 (C) Articles of organization of limited liability company 100.00
6 (D) Agreement of a general partnership.. . . . 50.00
7 (E) Certificate of a limited partnership. 100.00
8 (F) Agreement of a voluntary association. 50.00
9 (G) Articles of organization of a business trust. 50.00
10 (H) Amendment or correction of articles of incorporation, including change of name or
11 increase of capital stock, in addition to any applicable license tax. 25.00
12 (I) Amendment or correction, including change of name, of articles of organization of
13 business trust, limited liability partnership, limited liability company or professional limited liability
14 company or of certificate of limited partnership or agreement of voluntary association.. . . . 25.00
15 (J) Amendment and restatement of articles of incorporation, certificate of limited partnership,
16 agreement of voluntary association or articles of organization of limited liability partnership, limited
17 liability company or professional limited liability company or business trust.. 25.00
18 (K) Registration of trade name, otherwise designated as a true name, fictitious name or
19 D.B.A. (doing business as) name for any domestic business entity as permitted by law. . . . 25.00
20 (L) Articles of merger of two corporations, limited partnerships, limited liability partnerships,
21 limited liability companies or professional limited liability companies, voluntary associations or
22 business trusts. 25.00

1 (M) Plus for each additional party to the merger in excess of two. 15.00

2 (N) Statement of conversion, when permitted, from one business entity into another business
 3 entity, in addition to the cost of filing the appropriate documents to organize the surviving entity..
 4 25.00

5 (O) Articles of dissolution of a corporation, voluntary association or business trust, or
 6 statement of dissolution of a general partnership.. . . . 25.00

7 (P) Revocation of voluntary dissolution of a corporation, voluntary association or business
 8 trust. 15.00

9 (Q) Articles of termination of a limited liability company, cancellation of a limited
 10 partnership or statement of withdrawal of limited liability partnership.. . . . 25.00

11 (R) Reinstatement of a limited liability company or professional limited liability company
 12 after administrative dissolution. 25.00

13 (2) For filing, recording, indexing, preserving a record of and issuing a certificate relating to
 14 the registration, amendment, change of name, merger, consolidation, conversion, renewal,
 15 withdrawal or termination within this state of business entities organized in other states or countries,
 16 as follows:

17 (A) Certificate of authority of for-profit corporation. \$100.00

18 (B) Certificate of authority of nonprofit corporation. 50.00

19 (C) Certificate of authority of foreign limited liability companies. 150.00

20 (D) Certificate of exemption from certificate of authority 25.00

21 (E) Registration of a general partnership. 50.00

22 (F) Registration of a limited partnership. 150.00

1 (G) Registration of a limited liability partnership for two-year term..... 500.00

2 (H) Registration of a voluntary association..... 50.00

3 (I) Registration of a trust or business trust..... 50.00

4 (J) Amendment or correction of certificate of authority of a foreign corporation, including

5 change of name or increase of capital stock, in addition to any applicable license tax..... 25.00

6 (K) Amendment or correction of certificate of limited partnership, limited liability

7 partnership, limited liability company or professional limited liability company, voluntary

8 association or business trust..... 25.00

9 (L) Registration of trade name, otherwise designated as a true name, fictitious name or

10 D.B.A. (doing business as) name for any foreign business entity as permitted by law..... 25.00

11 (M) Amendment and restatement of certificate of authority or of registration of a corporation,

12 limited partnership, limited liability partnership, limited liability company or professional limited

13 liability company, voluntary association or business trust..... 25.00

14 (N) Articles of merger of two corporations, limited partnerships, limited liability

15 partnerships, limited liability companies or professional limited liability companies, voluntary

16 associations or business trusts..... 25.00

17 (O) Plus for each additional party to the merger in excess of two..... 5.00

18 (P) Statement of conversion, when permitted, from one business entity into another business

19 entity, in addition to the cost of filing the appropriate articles or certificate to organize the surviving

20 entity..... 25.00

21 (Q) Certificate of withdrawal or cancellation of a corporation, limited partnership, limited

22 liability partnership, limited liability company, voluntary association or business trust..... 25.00

1 Notwithstanding any other provision of this section to the contrary, after June 30, 2008, the
2 fees described in this subdivision that are collected for the issuance of a certificate relating to the
3 initial registration of a corporation, limited partnership, domestic limited liability company or foreign
4 limited liability company shall be deposited in the general administrative fees account established
5 by this section.

6 (3) For receiving, filing and recording a change of the principal or designated office, change
7 of the agent of process and/or change of officers, directors, partners, members or managers, as the
8 case may be, of a corporation, limited partnership, limited liability partnership, limited liability
9 company or other business entity as provided by law. \$15.00

10 (4) For receiving, filing and preserving a reservation of a name for each one hundred twenty
11 days or for any other period in excess of seven days prescribed by law for a corporation, limited
12 partnership, limited liability partnership or limited liability company. \$15.00

13 (5) For issuing a certificate relating to a corporation or other business entity, as follows:

14 (A) Certificate of good standing of a domestic or foreign corporation. \$10.00

15 (B) Certificate of existence of a domestic limited liability company, and certificate of
16 authorization foreign limited liability company.. . . . 10.00

17 (C) Certificate of existence of any business entity, trademark or service mark registered with
18 the Secretary of State 10.00

19 (D) Certified copy of corporate charter or comparable organizing documents for other
20 business entities. 15.00

21 (E) Plus, for each additional amendment, restatement or other additional document. . 5.00

22 (F) Certificate of registration of the name of a foreign corporation, limited liability company,

- 1 limited partnership or limited liability partnership. 25.00
- 2 (G) And for the annual renewal of the name registration 10.00
- 3 (H) Any other certificate not specified in this subdivision 10.00
- 4 (6) For issuing a certificate other than those relating to business entities, as provided in this
- 5 subsection, as follows:
- 6 (A) Certificate or apostille relating to the authority of certain public officers, including the
- 7 membership of boards and commissions. \$10.00
- 8 (B) Plus, for each additional certificate pertaining to the same transaction. 5.00
- 9 (C) Any other certificate not specified in this subdivision. 10.00
- 10 (D) For acceptance, indexing and recordation of service of process any corporation, limited
- 11 partnership, limited liability partnership, limited liability company, voluntary association, business
- 12 trust, insurance company, person or other entity as permitted by law. 15.00
- 13 (E) For shipping and handling expenses for execution of service of process by certified mail
- 14 upon any defendant within the United States, which fee is to be deposited to the special revenue
- 15 account established in this section for the operation of the office of the Secretary of State. 5.00
- 16 (F) For shipping and handling expenses for execution of service of process upon any
- 17 defendant outside the United States by registered mail, which fee is to be deposited to the special
- 18 revenue account established in this section for the operation of the office of the Secretary of State.
- 19 15.00
- 20 (7) For a search of records of the office conducted by employees of or at the expense of the
- 21 Secretary of State upon request, as follows:
- 22 (A) For any search of archival records maintained at sites other than the office of the

- 1 Secretary of State no less than. \$10.00
- 2 (B) For searches of archival records maintained at sites other than the office of the Secretary
- 3 of State which require more than one hour, for each hour or fraction of an hour consumed in making
- 4 a search. 10.00
- 5 (C) For any search of records maintained on site for the purpose of obtaining copies of
- 6 documents or printouts of data. 5.00
- 7 (D) For any search of records maintained in electronic format which requires special
- 8 programming to be performed by the state information services agency or other vendor any actual
- 9 cost, but not less than. 25.00
- 10 (E) The cost of the search is in addition to the cost of any copies or printouts prepared or any
- 11 certificate issued pursuant to or based on the search.
- 12 (F) For recording any paper for which no specific fee is prescribed. 5.00
- 13 (8) For producing and providing photocopies or printouts of electronic data of specific
- 14 records upon request, as follows:
- 15 (A) For a copy of any paper or printout of electronic data, if one sheet. \$1.00
- 16 (B) For each sheet after the first50
- 17 (C) For sending the copies or lists by fax transmission. 5.00
- 18 (D) For producing and providing photocopies of lists, reports, guidelines and other
- 19 documents produced in multiple copies for general public use, a publication price to be established
- 20 by the Secretary of State at a rate approximating 2.00 plus .10 per page and rounded to the nearest
- 21 dollar.
- 22 (E) For electronic copies of records obtained in data format on disk, the cost of the record

1 in the least expensive available printed format, plus, for each required disk, which shall be provided
2 by the Secretary of State..... 5.00

3 (b) The Secretary of State may propose legislative rules for promulgation for charges for
4 on-line electronic access to database information or other information maintained by the Secretary
5 of State.

6 (c) For any other work or service not enumerated in this subsection, the fee prescribed
7 elsewhere in this code or a rule promulgated under the authority of this code.

8 (d) The records maintained by the Secretary of State are prepared and indexed at the expense
9 of the state and those records shall not be obtained for commercial resale without the written
10 agreement of the state to a contract including reimbursement to the state for each instance of resale.

11 (e) The Secretary of State may provide printed or electronic information free of charge as he
12 or she considers necessary and efficient for the purpose of informing the general public or the news
13 media.

14 (f) There is hereby continued in the State Treasury a special revenue account to be known
15 as the "service fees and collections" account. Expenditures from the account shall be used for the
16 operation of the office of the Secretary of State and are not authorized from collections, but are to
17 be made only in accordance with appropriation by the Legislature and in accordance with the
18 provisions of article three, chapter twelve of this code and upon the fulfillment of the provisions set
19 forth in article two, chapter five-a of this code. Notwithstanding any other provision of this code to
20 the contrary, except as provided in subsection (h) of this section and section two-a of this article, one
21 half of all the fees and service charges established in the following sections and for the following
22 purposes shall be deposited by the Secretary of State or other collecting agency to that special

1 revenue account and used for the operation of the office of the Secretary of State:

2 (1) The annual attorney-in-fact fee for corporations and limited partnerships established in
3 section five, article twelve-c, chapter eleven of this code;

4 (2) The fees received for the sale of the State Register, code of state rules and other copies
5 established by rule and authorized by section seven, article two, chapter twenty-nine-a of this code;

6 (3) The registration fees, late fees and legal settlements charged for registration and
7 enforcement of the charitable organizations and professional solicitations established in sections five,
8 nine and fifteen-b, article nineteen, chapter twenty-nine of this code;

9 (4) The annual attorney-in-fact fee for limited liability companies as designated in section
10 one hundred eight, article one, chapter thirty-one-b of this code and established in section two
11 hundred eleven, article two of said chapter: *Provided*, That after June 30, 2008, the annual report fees
12 designated in section one hundred eight, article one, chapter thirty-one-b of this code shall upon
13 collection be deposited in the general administrative fees account described in subsection (h) of this
14 section;

15 (5) The filing fees and search and copying fees for uniform commercial code transactions
16 established by section five hundred twenty-five, article nine, chapter forty-six of this code;

17 (6) The annual attorney-in-fact fee for licensed insurers established in section twelve, article
18 four, chapter thirty-three of this code;

19 (7) The fees for the application and record maintenance of all notaries public established by
20 section twenty, article four, chapter thirty-nine of this code.

21 (8) The fees for registering credit service organizations as established by section five, article
22 six-c, chapter forty-six-a of this code;

1 (9) The fees for registering and renewing a West Virginia limited liability partnership as
2 established by section one, article ten, chapter forty-seven-b of this code;

3 (10) The filing fees for the registration and renewal of trademarks and service marks
4 established in section seventeen, article two, chapter forty-seven of this code;

5 (11) All fees for services, the sale of photocopies and data maintained at the expense of the
6 Secretary of State as provided in this section; and

7 (12) All registration, license and other fees collected by the Secretary of State not specified
8 in this section.

9 (g) Any balance in the service fees and collections account established by this section which
10 exceeds five hundred thousand dollars as of June 30, 2003, and each year thereafter, shall be expired
11 to the state fund, General Revenue Fund.

12 (h)(1) Effective July 1, 2008, there is hereby created in the State Treasury a special revenue
13 account to be known as the general administrative fees account. Expenditures from the account shall
14 be used for the operation of the office of the Secretary of State and are not authorized from
15 collections, but are to be made only in accordance with appropriation by the Legislature and in
16 accordance with the provisions of article three, chapter twelve of this code and upon the fulfillment
17 of the provisions set forth in article two, chapter eleven-b of this code: *Provided*, That for the fiscal
18 year ending June 30, 2009, expenditures are authorized from collections rather than pursuant to an
19 appropriation by the Legislature. Any balance in the account at the end of each fiscal year shall not
20 revert to the General Revenue Fund but shall remain in the fund and be expended as provided by this
21 subsection.

22 (2) After June 30, 2008, all the fees and service charges established in section two-a of this

1 article for the following purposes shall be collected and deposited by the Secretary of State or other
2 collecting agency in the general administrative fees account and used for the operation of the office
3 of the Secretary of State:

4 (A) The annual report fees paid to the Secretary of State by corporations, limited
5 partnerships, domestic limited liability companies and foreign limited liability companies;

6 (B) The fees for the issuance of a certificate relating to the initial registration of a corporation,
7 limited partnership, domestic limited liability company or foreign limited liability company
8 described in subdivision (2), subsection (a) of this section; and

9 (C) The fees for the purchase of date and updates related to the State's Business
10 Organizations Database described in section two-a of this article.

11 (I) There is continued in the office of the Secretary of State a noninterest-bearing, escrow
12 account to be known as the "prepaid fees and services account". This account shall be for the purpose
13 of allowing customers of the Secretary of State to prepay for services, with payment to be held in
14 escrow until services are rendered. Payments deposited in the account shall remain in the account
15 until services are rendered by the Secretary of State and at that time the fees will be reallocated to
16 the appropriate general or special revenue accounts. There shall be no fee charged by the Secretary
17 of State to the customer for the use of this account and the customer may request the return of any
18 moneys maintained in the account at any time without penalty. The assets of the prepaid fees and
19 services account do not constitute public funds of the state and are available solely for carrying out
20 the purposes of this section.

21 (j) Any business which is a veteran-owned business as defined in paragraph thirteen,
22 subsection (a), section two-a of this article, and initiated after July 1, 2015, is exempt from paying

1 the fees prescribed in subparagraphs A, B, C, D, E, F, and G, paragraph one, subsection (a) of this
2 section.

3 **§59-1-2a. Annual business fees to be paid to the Secretary of State; filing of annual reports;**
4 **purchase of data.**

5 (a) *Definitions.* -- As used in this section:

6 (1) "Annual report fee" means the fee described in subsection (c) of this section that is to be
7 paid to the Secretary of State each year by corporations, limited partnerships, domestic limited
8 liability companies and foreign limited liability companies. After June 30, 2008, any reference in
9 this code to a fee paid to the Secretary of State for services as a statutory attorney in fact shall mean
10 the annual report fee described in this section.

11 (2) "Business activity" means all activities engaged in or caused to be engaged in with the
12 object of gain or economic benefit, direct or indirect, but does not mean any of the activities of
13 foreign corporations enumerated in subsection (b), section one thousand five hundred one, article
14 fifteen, chapter thirty-one-d of this code, except for the activity of conducting affairs in interstate
15 commerce when activity occurs in this state, nor does it mean any of the activities of foreign limited
16 liability companies enumerated in subsection (a), section one thousand three, article ten, chapter
17 thirty-one-b of this code except for the activity of conducting affairs in interstate commerce when
18 activity occurs in this state.

19 (3) "Corporation" means a "domestic corporation", a "foreign corporation" or a "nonprofit
20 corporation".

21 (4) "Deliver or delivery" means any method of delivery used in conventional commercial
22 practice, including, but not limited to, delivery by hand, mail, commercial delivery and electronic

1 transmission.

2 (5) "Domestic corporation" means a corporation for profit which is not a foreign corporation
3 incorporated under or subject to chapter thirty-one-d of this code.

4 (6) "Domestic limited liability company" means a limited liability company which is not a
5 foreign limited liability company under or subject to chapter thirty-one-b of this code.

6 (7) "Foreign corporation" means a for-profit corporation incorporated under a law other than
7 the laws of this state.

8 (8) "Foreign limited liability company" means a limited liability company organized under
9 a law other than the laws of this state.

10 (9) "Limited partnership" means a partnership as defined by section one, article nine, chapter
11 forty-seven of this code.

12 (10) "Nonprofit corporation" means a nonprofit corporation as defined by section one
13 hundred fifty, article one, chapter thirty-one-e of this code.

14 (11) "Registration fee" means the fee for the issuance of a certificate relating to the initial
15 registration of a corporation, limited partnership, domestic limited liability company or foreign
16 limited liability company described in subdivision (2), subsection (a), section two of this article. The
17 term "initial registration" also means the date upon which the registration fee is paid.

18 (12) "Veteran" means the term as defined by subsection (a), section seven, article one,
19 chapter nine-a of this code.

20 (13) "Veteran-owned business" as used in this section means a business that meets the
21 following criteria:

22 (A) Is at least fifty-one percent unconditionally owned by one or more veterans; or

1 (B) In the case of a publically owned business, at least fifty-one percent of the stock of which
2 is unconditionally owned by one or more veterans.

3 (b) *Required payment of annual report fee and filing of annual report.* -- After June 30, 2008,
4 no corporation, limited partnership, domestic limited liability company or foreign limited liability
5 company may engage in any business activity in this state without paying the annual report fee and
6 filing the annual report as required by this section.

7 (c) *Annual report fee.* -- After June 30, 2008, each corporation, limited partnership, domestic
8 limited liability company and foreign limited liability company engaged in or authorized to do
9 business in this state shall pay an annual report fee of \$25 for the services of the Secretary of State
10 as attorney-in-fact for the corporation, limited partnership, domestic limited liability company or
11 foreign limited liability company, and for such other administrative services as may be imposed by
12 law upon the Secretary of State. The fee is due and payable each year after the initial registration
13 of the corporation, limited partnership, domestic limited liability company or foreign limited liability
14 company with the annual report described in subsection (d) of this section on or before the dates
15 specified in subsection (e) of this section. The fee is due and payable each year with the annual
16 report from corporations, limited partnerships, domestic limited liability companies and foreign
17 limited liability companies that paid the registration fee prior to July 1, 2008, on or before the dates
18 specified in subsection (e) of this section. The annual report fees received by the Secretary of State
19 pursuant to this subsection shall be deposited by the Secretary of State in the general administrative
20 fees account established by section two of this article.

21 (d) *Annual report.* -- (1) After June 30, 2008, each corporation, limited partnership, domestic
22 limited liability company and foreign limited liability company engaged in or authorized to do

1 business in this state shall file an annual report. The report is due each year after the initial
2 registration of the corporation, limited partnership, domestic limited liability company or foreign
3 limited liability company with the annual report fee described in subsection (c) of this section on or
4 before the dates specified in subsection (e) of this section. The report is due each year from
5 corporations, limited partnerships, domestic limited liability companies and foreign limited liability
6 companies that paid the registration fee prior to July 1, 2008, on or before the dates specified in
7 subsection (e) of this section.

8 (2) (A) The annual report shall be filed with the Secretary of State on forms provided by the
9 Secretary of State for that purpose. The annual report shall, in the case of corporations, contain: (i)
10 The address of the corporation's principal office; (ii) the names and mailing addresses of its officers
11 and directors; (iii) the name and mailing address of the person on whom notice of process may be
12 served; (iv) the name and address of the corporation's parent corporation and of each subsidiary of
13 the corporation licensed to do business in this state; (v) in the case of limited partnerships domestic
14 limited liability companies and foreign limited liability companies, similar information with respect
15 to their principal or controlling interests as determined by the Secretary of State or otherwise
16 required by law to be reported to the Secretary of State; (vi) the county or county code in which the
17 principal office address or mailing address of the company is located; (vii) business class code; and
18 (viii) any other information the Secretary of State considers appropriate.

19 (B) Notwithstanding any other provision of law to the contrary, the Secretary of State shall,
20 upon request of any person, disclose, with respect to corporations: (i) The address of the
21 corporation's principal office; (ii) the names and addresses of its officers and directors; (iii) the name
22 and mailing address of the person on whom notice of process may be served; (iv) the name and

1 address of each subsidiary of the corporation and the corporation's parent corporation; (v) the county
2 or county code in which the principal office address or mailing address of the company is located;
3 and (vi) the business class code. The Secretary of State shall provide similar information with
4 respect to information in its possession relating to limited partnerships domestic limited liability
5 companies and foreign limited liability companies, similar information with respect to their principal
6 or controlling interests.

7 (e) *Annual reports and fees due July 1.* -- Each domestic and foreign corporation, limited
8 partnership, limited liability company and foreign limited liability company shall file with the
9 Secretary of State the annual report and pay the annual report fee by July 1 of each year.

10 (f) *Deposit of fees.* -- The annual report fees received by the Secretary of State pursuant to
11 this section shall be deposited by the Secretary of State in the general administrative fees account
12 established by section two, article one, chapter fifty-nine of this code.

13 (g) (1) *Duty to pay.* -- It shall be the duty of each corporation, limited partnership, limited
14 liability company and foreign limited liability company required to pay the annual report fees
15 imposed under this article, to remit them with a properly completed annual report to the Secretary
16 of State, and if it fails to do so it shall be subject to the late fees prescribed in subsection (h) of this
17 article and dissolution or revocation, pursuant to this code: *Provided*, That before dissolution or
18 revocation for failure to pay fees may occur, the Secretary of State shall notify the entity by certified
19 mail, return receipt requested, of its failure to pay, all late fees or bad check fees associated with the
20 failure to pay and the date upon which dissolution or revocation will occur if all fees are not paid in
21 full. The certified mail required by this subdivision shall be postmarked at least thirty days before
22 the dissolution or revocation date listed in the notice.

1 (2) *Bad check fee.* -- If any corporation, limited partnership, limited liability company or
2 foreign limited liability company submits payment by check or money order for the annual report
3 fee imposed under this article and the check or money order is rejected because there are insufficient
4 funds in the account or the account is closed, the Secretary of State shall assess a bad check fee to
5 the corporation, limited partnership, limited liability company or foreign limited liability company
6 that is equivalent to the service charge paid by the Secretary of State due to the rejected check or
7 money order. The bad check fee assessed under this subdivision shall be deposited into the account
8 or accounts from which the Secretary of State paid the service charge.

9 (h) *Late fees.* -- (1) The following late fees shall be in addition to any other penalties and
10 remedies available elsewhere in this code:

11 (A) *Administrative late fee.* -- The Secretary of State shall assess upon each corporation,
12 limited partnership, limited liability company and foreign limited liability company delinquent in
13 the payment of an annual report fee or the filing of an annual report an administrative late fee in the
14 amount of \$50.

15 (B) *Administrative late fees for nonprofit corporations.* -- The Secretary of State shall assess
16 each nonprofit corporation delinquent in the payment of an annual report fee or the filing of an
17 annual report an administrative late fee in the amount of \$25.

18 ~~(2)~~ The Secretary of State shall deposit the first \$25,000 of fees collected under this
19 subsection into the general administrative fees account established in subsection (h), section two of
20 this article, and shall deposit any additional fees collected under this section into the General
21 Revenue Fund of the state.

22 (i) *Reports to Tax Commissioner; suspension, cancellation or withholding of business*

1 *registration certificate.* --

2 (1) The Secretary of State shall, within twenty days after the close of each month, make a
3 report to the Tax Commissioner for the preceding month, in which he or she shall set out the name
4 of every business entity to which he or she issued a certificate to conduct business in the State of
5 West Virginia during that month. The report shall set out the names and addresses all corporations,
6 limited partnerships, limited liability companies and foreign limited liability companies to which he
7 or she issued certificates of change of name or of change of location of principal office, dissolution,
8 withdrawal or merger. If the Secretary of State fails to make the report, it shall be the duty of the
9 Tax Commissioner to report such failure to the Governor. A writ of mandamus shall lie for
10 correction of such failure.

11 (2) Notwithstanding any other provisions of this code to the contrary, upon receipt of notice
12 from the Secretary of State that a corporation, limited partnership, limited liability company and
13 foreign limited liability company is more than thirty days delinquent in the payment of annual report
14 fees or in the filing of an annual report required by this section, the Tax Commissioner may suspend,
15 cancel or withhold a business registration certificate issued to or applied for by the delinquent
16 corporation, limited partnership, limited liability company or foreign limited liability company until
17 the same is paid and filed in the manner provided for the suspension, cancellation or withholding of
18 business registration certificates for other reasons under article twelve, chapter eleven of this code.

19 (j) *Purchase of data.* -- The Secretary of State will provide electronically, for purchase, any
20 data maintained in the Secretary of State's Business Organizations Database. For the electronic
21 purchase of the entire Business Organizations Database, the cost is \$12,000. For the purchase of the
22 monthly updates of the Business Organizations Database, the cost is \$1,000 per month. The fees

1 received by the Secretary of State pursuant to this subsection shall be deposited by the Secretary of
2 State in the general administrative fees account established by section two, article one, chapter
3 fifty-nine of this code.

4 (k) The Secretary of State is authorized to collect the service fee per transaction, if any,
5 charged for an online service from any customer who purchases data or conducts transactions
6 through an online service.

7 (l) *Rules.* -- The Secretary of State may propose legislative rules for promulgation pursuant
8 to article three, chapter twenty-nine-a of this code to implement this article, and may, pending
9 promulgation of those rules, promulgate emergency rules pursuant to those provisions for those
10 purposes.

11 (m) A veteran-owned business is exempt from paying the annual report fee required by this
12 section for the first four years after its initial registration: *Provided, That* a veteran-owned business
13 is not exempt from any filing deadlines or other fees set by this section.

NOTE: The purpose of this bill is to define a veteran-owned business and make those businesses exempt from paying the initial start-up fees and the first four annual report fees.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.