

FEB 8 2006  
Place On Calendar

HOUSE FILE 2323  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO HSB 569)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the regulation of business organizations  
2 including administrative dissolution, registration of agents,  
3 authorization of names, the filing, delivery, and service of  
4 documents by the secretary of state, and the elimination of  
5 certain filing fees, and providing an effective date.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2323

1 Section 1. Section 488.108, subsection 4, paragraph b,  
2 Code Supplement 2005, is amended to read as follows:

3 b. Each name reserved, registered, or protected under  
4 section 486A.1001, 488.109, or under sections 488.810,  
5 ~~486A.1001,~~ 490.401, 490.402, 490.403, 490.1422, 490A.401,  
6 490A.402, 490A.1311, 504.401, 504.402, and 504.403, 504.1423,  
7 or 547.1.

8 Sec. 2. Section 488.810, Code 2005, is amended to read as  
9 follows:

10 488.810 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
11 DISSOLUTION.

12 1. A limited partnership that has been administratively  
13 dissolved may apply to the secretary of state for  
14 reinstatement ~~within two years~~ at any time after the effective  
15 date of dissolution. The application must be delivered to the  
16 secretary of state for filing and state all of the following:

17 a. The name of the limited partnership and the effective  
18 date of its administrative dissolution.

19 b. That the grounds for dissolution either did not exist  
20 or have been eliminated.

21 c. ~~That~~ If the application is received more than five  
22 years after the effective date of dissolution, that the  
23 limited partnership's name satisfies the requirements of  
24 section 488.108.

25 2. If the secretary of state determines that an  
26 application contains the information required by subsection 2  
27 1 and that the information is correct, the secretary of state  
28 shall prepare a declaration of reinstatement that states this  
29 determination, sign, and file the ~~original of the~~ declaration  
30 of reinstatement, and ~~serve~~ deliver a copy to the limited  
31 partnership ~~with a copy~~.

32 3. When reinstatement becomes effective, it relates back  
33 to and takes effect as of the effective date of the  
34 administrative dissolution and the limited partnership may  
35 resume its activities as if the administrative dissolution had

1 never occurred.

2 4. A limited partnership shall not lose the right to  
3 retain its limited partnership name if the reinstatement is  
4 effective within five years of the effective date of the  
5 limited partnership's dissolution.

6 Sec. 3. Section 490.502, subsection 3, Code 2005, is  
7 amended to read as follows:

8 3. If a registered agent changes the registered agent's  
9 business address to another place, the registered agent may  
10 change the business address and the address of the registered  
11 agent by filing a statement as required in subsection 2 for  
12 each corporation, or a single statement for all corporations  
13 named in the notice, except that it need be signed only by the  
14 registered agent ~~or-agents~~ and need not be responsive to  
15 subsection 1, paragraph "c", and must recite that a copy of  
16 the statement has been mailed to each corporation named in the  
17 notice.

18 Sec. 4. Section 490.1422, Code 2005, is amended to read as  
19 follows:

20 490.1422 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
21 DISSOLUTION.

22 1. A corporation administratively dissolved under section  
23 490.1421 may apply to the secretary of state for reinstatement  
24 ~~within-two-years~~ at any time after the effective date of  
25 dissolution. The application must meet all of the following  
26 requirements:

27 a. Recite the name of the corporation at its date of  
28 dissolution and the effective date of its administrative  
29 dissolution.

30 b. State that the ground or grounds for dissolution have  
31 been eliminated.

32 c. State a corporate name that satisfies the requirements  
33 of section 490.401.

34 d. State the federal tax identification number of the  
35 corporation.

1 2. a. The secretary of state shall refer the federal tax  
2 identification number contained in the application for  
3 reinstatement to the department of revenue. The department of  
4 revenue shall report to the secretary of state the tax status  
5 of the corporation. If the department reports to the  
6 secretary of state that a filing delinquency or liability  
7 exists against the corporation, the secretary of state shall  
8 not cancel the certificate of dissolution until the filing  
9 delinquency or liability is satisfied.

10 b. If the secretary of state determines that the  
11 application contains the information required by subsection 1,  
12 and that a delinquency or liability reported pursuant to  
13 paragraph "a" ~~of this subsection~~ has been satisfied, and that  
14 the information is correct, the secretary of state shall  
15 cancel the certificate of dissolution and prepare a  
16 certificate of reinstatement that recites the secretary of  
17 state's determination and the effective date of reinstatement,  
18 file the ~~original of the~~ certificate of reinstatement, and  
19 serve a copy on the corporation under section 490.504. If the  
20 corporate name in subsection 1, paragraph "c", is different  
21 than the corporate name in subsection 1, paragraph "a", the  
22 certificate of reinstatement shall constitute an amendment to  
23 the articles of incorporation insofar as it pertains to the  
24 corporate name.

25 3. When the reinstatement is effective, it relates back to  
26 and takes effect as of the effective date of the  
27 administrative dissolution as if the administrative  
28 dissolution had never occurred.

29 4. ~~Notwithstanding the reinstatement period established in~~  
30 ~~subsection 1, a corporation administratively dissolved after~~  
31 ~~December 31, 1984, which files an application for~~  
32 ~~reinstatement prior to January 1, 1996, containing the~~  
33 ~~information required under subsection 1, shall be treated as~~  
34 ~~if its application had been timely filed under subsection 1.~~  
35 ~~In this case, the secretary of state shall process the~~

~~1 application pursuant to subsection 2 and, if a certificate of~~  
~~2 reinstatement is issued, the provisions of subsection 3 shall~~  
~~3 apply~~ A corporation shall not lose the right to retain its  
4 corporate name if the reinstatement is effective within five  
5 years of the effective date of the corporation's dissolution.

6 Sec. 5. Section 490.1701, subsection 3, paragraph a, Code  
7 Supplement 2005, is amended to read as follows:

8 a. The corporation shall amend or restate its articles of  
9 incorporation to indicate that the corporation adopts this  
10 chapter and to designate the address of its initial registered  
11 office and the name of its registered agent ~~or agents~~ at that  
12 office and, if the name of the corporation is not in  
13 compliance with the requirements of this chapter, to change  
14 the name of the corporation to one complying with the  
15 requirements of this chapter.

16 Sec. 6. Section 490A.121, subsections 2 and 3, Code 2005,  
17 are amended to read as follows:

18 2. The secretary of state files a document by ~~stamping or~~  
~~19 otherwise endorsing~~ recording it as "filed", together with the  
~~20 secretary of state's name and official title and on~~ the date  
21 ~~and at the~~ time of receipt, ~~on both the document and the~~  
~~22 receipt for the filing fee, and recording the document in the~~  
~~23 records of the secretary of state.~~ After filing a document,  
24 and except as provided in section 490A.503, the secretary of  
25 state shall deliver ~~the document, with the filing fee receipt,~~  
~~26 or acknowledgment of receipt if no fee is required, attached,~~  
27 to the domestic or foreign limited liability company or its  
28 representative a copy of the document with an acknowledgement  
29 of the date and time of filing.

30 3. If the secretary of state refuses to file a document,  
31 the secretary of state shall return it to the domestic or  
32 foreign limited liability company or its representative ~~within~~  
~~33 ten days after the document was received by the secretary of~~  
34 ~~state,~~ together with a brief, written explanation of the  
35 reason for the refusal.

1     Sec. 7. Section 490A.124, subsection 1, paragraphs e and  
2 f, Code 2005, are amended by striking the paragraphs.

3     Sec. 8. Section 490A.131, subsection 1, paragraph b, Code  
4 Supplement 2005, is amended to read as follows:

5     b. The street ~~and-mailing~~ address of its designated  
6 registered office and the name and street ~~and-mailing~~ address  
7 of its registered agent ~~for-service-of-process-in-this-state~~.

8     Sec. 9. Section 490A.131, subsection 5, Code Supplement  
9 2005, is amended by striking the subsection.

10    Sec. 10. Section 490A.401, subsection 3, Code 2005, is  
11 amended to read as follows:

12    3. Except as authorized by subsections 4 and 5, a limited  
13 liability company name must be distinguishable upon the  
14 records of the secretary of state from all of the following:

15    a. The name of a limited liability company, limited  
16 partnership, or corporation organized under the law of this  
17 state or registered as a foreign limited liability company,  
18 foreign limited partnership, or foreign corporation in this  
19 state, or the name of any such entity that has been  
20 administratively dissolved for a period of less than five  
21 years from the date of the dissolution of the entity.

22    b. A name reserved in the manner provided under the law of  
23 this state.

24    c. The fictitious name adopted by a foreign corporation,  
25 foreign limited partnership, or foreign limited liability  
26 company authorized to transact business in this state, because  
27 its real name is unavailable.

28    d. The corporate name of a nonprofit corporation  
29 incorporated or authorized to transact business in this state,  
30 or the corporate name of a nonprofit corporation that has been  
31 administratively dissolved for a period of less than five  
32 years from the date of the dissolution of the corporation.

33    Sec. 11. Section 490A.401, subsection 6, Code 2005, is  
34 amended to read as follows:

35    6. This chapter does not control the use of fictitious

1 names; however, if a limited liability company or a foreign  
2 limited liability company uses a fictitious name in this state  
3 it shall deliver to the secretary of state for filing a  
4 certified copy of the resolution ~~of the limited liability~~  
5 company filed and executed according to 490A.120 adopting the  
6 fictitious name.

7 Sec. 12. Section 490A.1301, Code 2005, is amended by  
8 adding the following new subsection:

9 NEW SUBSECTION. 4. The limited liability company is  
10 administratively dissolved by the secretary of state under  
11 section 490A.1310.

12 Sec. 13. NEW SECTION. 490A.1308 REVOCATION OF  
13 DISSOLUTION.

14 1. A limited liability company may revoke its dissolution  
15 within one hundred twenty days of the effective date of its  
16 articles of dissolution.

17 2. Revocation of dissolution must be authorized in the  
18 same manner as the dissolution was authorized unless that  
19 authorization permitted revocation by action of the managers  
20 alone, in which event the managers may revoke the dissolution  
21 without member action.

22 3. After the revocation of dissolution is authorized, the  
23 limited liability company may revoke the dissolution by  
24 delivering to the secretary of state for filing articles of  
25 revocation of dissolution, together with a copy of its  
26 articles of dissolution, that set forth all of the following:

27 a. The name of the limited liability company.  
28 b. The effective date of the dissolution that was revoked.  
29 c. The date that the revocation of dissolution was  
30 authorized.

31 d. If members of the company unanimously revoked the  
32 dissolution, a statement to that effect.

33 e. If the company's managers revoked a dissolution  
34 authorized by the members, a statement that revocation was  
35 permitted by action by the managers alone pursuant to that

1 authorization.

2 4. Revocation of dissolution is effective upon the  
3 effective date of the articles of revocation of dissolution.

4 5. When the revocation of dissolution is effective, the  
5 revocation relates back to and takes effect as of the  
6 effective date of the dissolution as if the dissolution never  
7 occurred.

8 Sec. 14. NEW SECTION. 490A.1309 GROUNDS FOR  
9 ADMINISTRATIVE DISSOLUTION.

10 The secretary of state may commence a proceeding under  
11 section 490A.1310 to administratively dissolve a limited  
12 liability company if any of the following apply:

13 1. The limited liability company has not delivered a  
14 biennial report to the secretary of state in a form that meets  
15 the requirements of section 490A.131, within sixty days after  
16 the report is due, or has not paid the filing fee as  
17 determined by the secretary of state, within sixty days after  
18 the fee is due.

19 2. The limited liability company is without a registered  
20 agent or registered office in this state for sixty days or  
21 more.

22 3. The limited liability company does not notify the  
23 secretary of state within sixty days that its registered agent  
24 or registered office has been changed, that its registered  
25 agent has resigned, or that its registered office has been  
26 discontinued.

27 4. The limited liability company's period of duration  
28 stated in its articles of organization expires.

29 Sec. 15. NEW SECTION. 490A.1310 GROUNDS FOR AND EFFECT  
30 OF ADMINISTRATIVE DISSOLUTION.

31 1. If the secretary of state determines that one or more  
32 grounds exist under section 490A.1309 for dissolving a limited  
33 liability company, the secretary of state shall serve the  
34 limited liability company with written notice of the secretary  
35 of state's determination pursuant to section 490A.504.

1 2. If the limited liability company does not correct each  
2 ground for dissolution or demonstrate to the reasonable  
3 satisfaction of the secretary of state that each ground  
4 determined by the secretary of state does not exist within  
5 sixty days after service of the notice is perfected under  
6 section 490A.504, the secretary of state shall  
7 administratively dissolve the limited liability company by  
8 signing a certificate of dissolution that recites the ground  
9 or grounds for dissolution and its effective date. The  
10 secretary of state shall file the certificate and serve a copy  
11 on the limited liability company under section 490A.504.

12 3. A limited liability company administratively dissolved  
13 continues its existence but shall not carry on any business  
14 except that necessary to wind up and liquidate its business  
15 and affairs and notify claimants.

16 4. The administrative dissolution of a limited liability  
17 company does not terminate the authority of its registered  
18 agent.

19 5. The secretary of state's administrative dissolution of  
20 a limited liability company pursuant to this section appoints  
21 the secretary of state as the limited liability company's  
22 agent for service of process in any proceeding based on a  
23 cause of action which arose during the time the limited  
24 liability company was authorized to transact business in this  
25 state. Service of process on the secretary of state under  
26 this subsection is service on the limited liability company.  
27 Upon receipt of process, the secretary of state shall serve a  
28 copy of the process on the limited liability company as  
29 provided in section 490A.504. This subsection does not  
30 preclude service on the limited liability company's registered  
31 agent, if any.

32 Sec. 16. NEW SECTION. 490A.1311 REINSTATEMENT FOLLOWING  
33 ADMINISTRATIVE DISSOLUTION.

34 1. A limited liability company administratively dissolved  
35 under section 490A.1310 may apply to the secretary of state

1 for reinstatement at any time after the effective date of  
2 dissolution. The application must be delivered to the  
3 secretary of state for filing and state all of the following:

4 a. The name of the limited liability company at its date  
5 of dissolution and the effective date of its administrative  
6 dissolution.

7 b. That the ground or grounds for dissolution have been  
8 eliminated.

9 c. If the application is received more than five years  
10 after the effective date of dissolution, that the name of the  
11 limited liability company satisfies the requirements of  
12 section 490A.401.

13 d. The federal tax identification number of the limited  
14 liability company.

15 2. a. The secretary of state shall refer the federal tax  
16 identification number contained in the application for  
17 reinstatement to the department of revenue. The department of  
18 revenue shall report to the secretary of state the tax status  
19 of the limited liability company. If the department reports  
20 to the secretary of state that a filing delinquency or  
21 liability exists against the limited liability company, the  
22 secretary of state shall not cancel the certificate of  
23 dissolution until the filing delinquency or liability is  
24 satisfied.

25 b. If the secretary of state determines that the  
26 application contains the information required by subsection 1,  
27 that a delinquency or liability reported pursuant to paragraph  
28 "a" has been satisfied, and that the information is correct,  
29 the secretary of state shall cancel the certificate of  
30 dissolution and prepare a certificate of reinstatement that  
31 recites the secretary of state's determination and the  
32 effective date of reinstatement, file the document, and  
33 deliver a copy to the limited liability company under section  
34 490A.504. If the name in subsection 1, paragraph "c", is  
35 different than the name in subsection 1, paragraph "a", the

1 certificate of reinstatement shall constitute an amendment to  
2 the articles of organization insofar as it pertains to the  
3 name.

4 3. When the reinstatement is effective, it relates back to  
5 and takes effect as of the effective date of the  
6 administrative dissolution as if the administrative  
7 dissolution had never occurred.

8 4. A limited liability company shall not lose the right to  
9 retain its name if the reinstatement is effective within five  
10 years of the effective date of the limited liability company's  
11 dissolution.

12 Sec. 17. NEW SECTION. 490A.1312 APPEAL FROM DENIAL OF  
13 REINSTATEMENT.

14 1. If the secretary of state denies a limited liability  
15 company's application for reinstatement following  
16 administrative dissolution, the secretary of state shall serve  
17 the limited liability company under section 490A.504 with a  
18 written notice that explains the reason or reasons for the  
19 denial.

20 2. The limited liability company may appeal the denial of  
21 reinstatement to the district court within thirty days after  
22 service of the notice of denial is perfected. The limited  
23 liability company may appeal by petitioning the court to set  
24 aside the dissolution and attaching to the petition a copy of  
25 the secretary of state's certificate of dissolution, the  
26 limited liability company's application for reinstatement, and  
27 the secretary of state's notice of denial.

28 3. The court may summarily order the secretary of state to  
29 reinstate the dissolved limited liability company or may take  
30 other action the court considers appropriate.

31 Sec. 18. Section 490A.1402, Code 2005, is amended by  
32 striking the section and inserting in lieu thereof the  
33 following:

34 490A.1402 REGISTRATION.

35 1. A foreign limited liability company may apply for a

1 certificate of authority to transact business in this state by  
2 delivering an application to the secretary of state for  
3 filing. The application shall set forth all of the following:

4 a. The name of the foreign limited liability company, or  
5 if its name is unavailable for use in this state, a name that  
6 satisfies the requirements of section 490A.1404.

7 b. The name of the state or country under whose law the  
8 foreign limited liability company is organized.

9 c. The date of formation and period of duration.

10 d. The street address of the foreign limited liability  
11 company's principal office.

12 e. The address of the foreign limited liability company's  
13 registered office in this state and the name of its registered  
14 agent at that address.

15 2. The foreign limited liability company shall deliver the  
16 completed application to the secretary of state and also  
17 deliver to the secretary of state a certificate of existence  
18 or a document of similar import duly authenticated by the  
19 secretary of state or proper officer of the state or other  
20 jurisdiction of its formation which is dated no earlier than  
21 ninety days prior to the date the application is filed with  
22 the secretary of state.

23 Sec. 19. Section 490A.1410, subsection 1, paragraph a,  
24 Code 2005, is amended by adding the following new  
25 subparagraph:

26 NEW SUBPARAGRAPH. (5) Deliver for filing to the secretary  
27 of state a biennial report as required by section 490A.131.

28 Sec. 20. Section 499.78, subsection 1, Code 2005, is  
29 amended to read as follows:

30 1. An association administratively dissolved under section  
31 499.77 may apply to the secretary of state for reinstatement  
32 within-two-years at any time after the effective date of  
33 dissolution. The application must meet all of the following  
34 requirements:

35 Sec. 21. Section 501.104, Code 2005, is amended to read as

1 follows:

2 501.104 NAME.

3 The name of a cooperative organized under this chapter must  
4 contain shall meet all of the following requirements:

5 1. Contain the word "cooperative", "coop", or "co-op"~~7-and~~  
6 ~~the-name-must-be.~~

7 2. Be distinguishable from the all of the following:

8 a. The names of cooperatives organized under this chapter  
9 or another chapter~~7-or.~~

10 b. The names of cooperatives which have been  
11 administratively dissolved for a period of less than five  
12 years from the date of the dissolution of each cooperative.

13 c. The names of foreign cooperatives authorized to do  
14 business in this state.

15 Sec. 22. Section 501.813, Code 2005, is amended to read as  
16 follows:

17 501.813 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
18 DISSOLUTION.

19 1. A cooperative administratively dissolved under section  
20 501.812 may apply to the secretary of state for reinstatement  
21 ~~within-two-years at any time~~ after the effective date of  
22 dissolution. The application must meet all of the following  
23 requirements:

24 a. Recite the name of the cooperative at its date of  
25 dissolution and the effective date of its administrative  
26 dissolution.

27 b. State that the ground or grounds for dissolution have  
28 been eliminated.

29 c. State If the application is received more than five  
30 years after the effective date of dissolution, state a name  
31 that satisfies the requirements of section 501.104.

32 d. State the federal tax identification number of the  
33 cooperative.

34 2. a. The secretary of state shall refer the federal tax  
35 identification number contained in the application for

1 reinstatement to the department of revenue. The department of  
2 revenue shall report to the secretary of state the tax status  
3 of the cooperative. If the department reports to the  
4 secretary of state that a filing delinquency or liability  
5 exists against the cooperative, the secretary of state shall  
6 not cancel the certificate of dissolution until the filing  
7 delinquency or liability is satisfied.

8 b. If the secretary of state determines that the  
9 application contains the information required by subsection 1,  
10 and that a delinquency or liability reported pursuant to  
11 paragraph "a" has been satisfied, and that the information is  
12 correct, the secretary of state shall cancel the certificate  
13 of dissolution and prepare a certificate of reinstatement that  
14 recites the secretary of state's determination and the  
15 effective date of reinstatement, file the ~~original-of-the~~  
16 certificate of reinstatement, and serve a copy on the  
17 cooperative under section 501.106. If the name of the  
18 cooperative as provided in subsection 1, paragraph "c", is  
19 different than the name in subsection 1, paragraph "a", the  
20 certificate of reinstatement shall constitute an amendment to  
21 the articles of association insofar as it pertains to the  
22 name.

23 3. When the reinstatement is effective, it relates back to  
24 and takes effect as of the effective date of the  
25 administrative dissolution as if the administrative  
26 dissolution had never occurred.

27 4. A cooperative shall not lose the right to retain its  
28 name if the reinstatement is effective within five years of  
29 the effective date of the cooperative's dissolution.

30 Sec. 23. Section 504.401, subsections 2 and 5, Code  
31 Supplement 2005, are amended to read as follows:

32 2. Except as authorized by subsections 3 and 4, a  
33 corporate name must be distinguishable upon the records of the  
34 secretary of state from:

35 a. The corporate name of any other nonprofit or business

1 corporation incorporated or authorized to do business in this  
2 state.

3 b. A corporate name reserved, or registered, or protected  
4 under section 486A.1001, 488.108, 488.109, 488.810, 490.401,  
5 490.402, 490.403, 490.1422, 490A.401, 490A.402, 490A.1311,  
6 504.402, or 504.403, 504.1423, or 547.1.

7 c. The fictitious name of a foreign business or nonprofit  
8 corporation authorized to transact business in this state  
9 because its real name is unavailable.

10 5. This chapter does not control the use of fictitious  
11 names; however, if a corporation or a foreign corporation uses  
12 a fictitious name in this state, it shall deliver to the  
13 secretary of state for filing a certified copy of the  
14 resolution ~~of-its-board-of-directors,--certified-by-its~~  
15 secretary, filed and executed according to section 504.111  
16 adopting the fictitious name.

17 Sec. 24. Section 504.1423, Code 2005, is amended to read  
18 as follows:

19 504.1423 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
20 DISSOLUTION.

21 1. A corporation administratively dissolved under section  
22 504.1422 may apply to the secretary of state for reinstatement  
23 within-two-years at any time after the effective date of  
24 dissolution. The application must state all of the following:

25 a. The name of the corporation and the effective date of  
26 its administrative dissolution.

27 b. That the ground or grounds for dissolution either did  
28 not exist or have been eliminated.

29 c. That If the application is received more than five  
30 years after the effective date of dissolution, that the  
31 corporation's name satisfies the requirements of section  
32 504.401.

33 d. The federal tax identification number of the  
34 corporation.

35 2. a. The secretary of state shall refer the federal tax



1 The bill provides for a corporation to apply for  
2 reinstatement after administrative dissolution at any time  
3 after the effective date of the dissolution and allows the  
4 corporation to retain its corporate name after reinstatement.

5 The bill modifies the method by which the secretary must  
6 file documents for limited liability companies and removes the  
7 time requirement in which the secretary of state must return a  
8 document that has been refused filing. The bill eliminates  
9 fees for the filing of an application for registered name per  
10 month and an application for renewal of registered name for  
11 limited liability companies. The bill strikes the provision  
12 relating to the filing of the first biennial report of a  
13 limited liability company. The bill places additional  
14 restrictions on the name of a limited liability company and  
15 the name of a foreign limited liability company. The bill  
16 provides for the revocation of a dissolution of a limited  
17 liability company. The bill provides for the administrative  
18 dissolution of a limited liability company, the reinstatement  
19 following an administrative dissolution, and the right to  
20 appeal from a denial of reinstatement.

21 The bill modifies the registration requirements for a  
22 foreign limited liability company. The bill provides that a  
23 certificate of authority of a foreign limited liability  
24 company may be revoked for failure to deliver required  
25 biennial reports.

26 The bill allows a cooperative association and a closed  
27 cooperative that has been administratively dissolved to apply  
28 for reinstatement at any time after dissolution. The bill  
29 restricts the naming of closed cooperatives.

30 The bill restricts the naming of nonprofit corporations and  
31 allows nonprofit corporations that have been administratively  
32 dissolved to apply for reinstatement at any time after  
33 dissolution. The bill allows a nonprofit corporation to  
34 retain its name after reinstatement.

35 The bill takes effect upon enactment.

Succeeded Bill  
SF 02323

HSB 569  
STATE GOVERNMENT

Roberts, chair  
Bukta  
Paulsen  
Tomenga  
Taylor, T.

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED SECRETARY OF  
STATE BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the regulation of business organizations  
2 including administrative dissolution, registration of agents,  
3 authorization of names, the filing, delivery, and service of  
4 documents by the secretary of state, and the elimination of  
5 certain filing fees.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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3/1/78

1 Section 1. NEW SECTION. 486A.808 GROUNDS FOR  
2 ADMINISTRATIVE DISSOLUTION.

3 The secretary of state may commence a proceeding under  
4 section 486A.809 to administratively dissolve a partnership if  
5 any of the following apply:

6 1. The partnership is without a registered agent or  
7 registered office in this state for sixty days or more.

8 2. The partnership does not notify the secretary of state  
9 within sixty days that its registered agent or registered  
10 office has been changed, that its registered agent has  
11 resigned, or that its registered office has been discontinued.

12 Sec. 2. NEW SECTION. 486A.809 PROCEDURE FOR AND EFFECT  
13 OF ADMINISTRATIVE DISSOLUTION.

14 1. If the secretary of state determines that one or more  
15 grounds exist under section 486A.808 for dissolving a  
16 partnership, the secretary of state shall serve the  
17 partnership with written notice of the secretary of state's  
18 determination pursuant to section 486A.1214.

19 2. If the partnership does not correct each ground for  
20 dissolution or demonstrate to the reasonable satisfaction of  
21 the secretary of state that each ground determined by the  
22 secretary of state does not exist within sixty days after  
23 service of the notice is perfected under section 486A.1214,  
24 the secretary of state shall administratively dissolve the  
25 partnership by signing a certificate of dissolution that  
26 recites the ground or grounds for dissolution and its  
27 effective date. The secretary of state shall file the  
28 document and serve a copy on the partnership pursuant to  
29 section 486A.1214.

30 3. A partnership administratively dissolved continues its  
31 partnership existence but shall not carry on any business  
32 except that necessary to wind up and liquidate its business  
33 and affairs and notify claimants.

34 4. The administrative dissolution of a partnership does  
35 not terminate the authority of its registered agent.

1 5. The secretary of state's administrative dissolution of  
2 a partnership pursuant to this section appoints the secretary  
3 of state the partnership's agent for service of process in any  
4 proceeding based on a cause of action which arose during the  
5 time the partnership was authorized to transact business in  
6 this state. Service of process on the secretary of state  
7 under this subsection is service on the partnership. Upon  
8 receipt of process, the secretary of state shall serve a copy  
9 of the process on the partnership as provided in section  
10 486A.1214. This subsection does not preclude service on the  
11 partnership's registered agent, if any.

12 Sec. 3. NEW SECTION. 486A.810 REINSTATEMENT FOLLOWING  
13 ADMINISTRATIVE DISSOLUTION.

14 1. A partnership administratively dissolved under section  
15 486A.809 may apply to the secretary of state for reinstatement  
16 at any time after the effective date of dissolution. The  
17 application shall be delivered to the secretary of state for  
18 filing and state all of the following:

19 a. The name of the partnership at its date of dissolution  
20 and the effective date of its administrative dissolution.

21 b. That the ground or grounds for dissolution have been  
22 eliminated or never existed.

23 c. If the partnership is a limited liability partnership  
24 and the partnership name cited in paragraph "a" is  
25 unavailable, that the name of the partnership satisfies  
26 section 486A.1002.

27 d. The federal tax identification number of the  
28 partnership.

29 2. a. The secretary of state shall refer the federal tax  
30 identification number contained in the application for  
31 reinstatement to the department of revenue. The department of  
32 revenue shall report to the secretary of state the tax status  
33 of the partnership. If the department reports to the  
34 secretary of state that a filing delinquency or liability  
35 exists against the partnership, the secretary of state shall

1 not cancel the certificate of dissolution until the filing  
2 delinquency or liability is satisfied.

3 b. If the secretary of state determines that the  
4 application contains the information required by subsection 1,  
5 that a delinquency or liability reported pursuant to paragraph  
6 "a" has been satisfied, and that the information is correct,  
7 the secretary of state shall cancel the certificate of  
8 dissolution and prepare a certificate of reinstatement that  
9 recites the secretary of state's determination and the  
10 effective date of reinstatement, file the original  
11 certificate, and serve a copy on the partnership pursuant to  
12 section 486A.1214. If the partnership name in subsection 1,  
13 paragraph "c", is different than the partnership name in  
14 subsection 1, paragraph "a", the certificate of reinstatement  
15 shall constitute an amendment to the statement of  
16 qualification insofar as it pertains to the partnership name.

17 3. When the reinstatement is effective, it relates back to  
18 and takes effect as of the effective date of the  
19 administrative dissolution as if the administrative  
20 dissolution had never occurred.

21 4. A partnership dissolved under section 486A.809 shall  
22 not lose the right to retain its partnership name if the  
23 reinstatement is effective within five years of the effective  
24 date of the partnership dissolution.

25 Sec. 4. NEW SECTION. 486A.811 APPEAL FROM DENIAL OF  
26 REINSTATEMENT.

27 1. If the secretary of state denies a partnership's  
28 application for reinstatement following administrative  
29 dissolution, the secretary of state shall serve the  
30 partnership pursuant to section 486A.1214 with a written  
31 notice that explains the reason or reasons for the denial.

32 2. The partnership may appeal the denial of reinstatement  
33 to the district court within thirty days after service of the  
34 notice of denial is perfected. The partnership may appeal by  
35 petitioning the court to set aside the dissolution and

1 attaching to the petition a copy of the secretary of state's  
2 certificate of dissolution, the partnership's application for  
3 reinstatement, and the secretary of state's notice of denial.

4 3. The court may summarily order the secretary of state to  
5 reinstate the dissolved partnership or may take other action  
6 the court considers appropriate.

7 Sec. 5. Section 488.108, subsection 4, paragraph b, Code  
8 Supplement 2005, is amended to read as follows:

9 b. Each name reserved, registered, or protected under  
10 section 486A.1001, 488.109, ~~or under sections~~ 488.810,  
11 ~~486A.1001~~, 490.401, 490.402, 490.403, 490.1422, 490A.401,  
12 490A.402, 490A.1311, 504.401, 504.402, and 504.403, 504.1423,  
13 or 547.1.

14 Sec. 6. Section 488.810, Code 2005, is amended to read as  
15 follows:

16 488.810 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
17 DISSOLUTION.

18 1. A limited partnership that has been administratively  
19 dissolved may apply to the secretary of state for  
20 reinstatement within two years at any time after the effective  
21 date of dissolution. The application must be delivered to the  
22 secretary of state for filing and state all of the following:

23 a. The name of the limited partnership and the effective  
24 date of its administrative dissolution.

25 b. That the grounds for dissolution either did not exist  
26 or have been eliminated.

27 c. That if the application is received more than five  
28 years after the effective date of dissolution, that the  
29 limited partnership's name satisfies the requirements of  
30 section 488.108.

31 2. If the secretary of state determines that an  
32 application contains the information required by subsection 2  
33 1 and that the information is correct, the secretary of state  
34 shall prepare a declaration of reinstatement that states this  
35 determination, sign, and file the ~~original of the~~ declaration

1 of reinstatement, and ~~serve~~ deliver a copy to the limited  
2 partnership ~~with-a-copy~~.

3 3. When reinstatement becomes effective, it relates back  
4 to and takes effect as of the effective date of the  
5 administrative dissolution and the limited partnership may  
6 resume its activities as if the administrative dissolution had  
7 never occurred.

8 4. A limited partnership shall not lose the right to  
9 retain its limited partnership name if the reinstatement is  
10 effective within five years of the effective date of the  
11 limited partnership's dissolution.

12 Sec. 7. Section 490.502, subsection 3, Code 2005, is  
13 amended to read as follows:

14 3. If a registered agent changes the registered agent's  
15 business address to another place, the registered agent may  
16 change the business address and the address of the registered  
17 agent by filing a statement as required in subsection 2 for  
18 each corporation, or a single statement for all corporations  
19 named in the notice, except that it need be signed only by the  
20 registered agent ~~or-agents~~ and need not be responsive to  
21 subsection 1, paragraph "c", and must recite that a copy of  
22 the statement has been mailed to each corporation named in the  
23 notice.

24 Sec. 8. Section 490.1422, Code 2005, is amended to read as  
25 follows:

26 490.1422 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
27 DISSOLUTION.

28 1. A corporation administratively dissolved under section  
29 490.1421 may apply to the secretary of state for reinstatement  
30 ~~within-two-years~~ at any time after the effective date of  
31 dissolution. The application must meet all of the following  
32 requirements:

33 a. Recite the name of the corporation at its date of  
34 dissolution and the effective date of its administrative  
35 dissolution.

1 b. State that the ground or grounds for dissolution have  
2 been eliminated.

3 c. State a corporate name that satisfies the requirements  
4 of section 490.401.

5 d. State the federal tax identification number of the  
6 corporation.

7 2. a. The secretary of state shall refer the federal tax  
8 identification number contained in the application for  
9 reinstatement to the department of revenue. The department of  
10 revenue shall report to the secretary of state the tax status  
11 of the corporation. If the department reports to the  
12 secretary of state that a filing delinquency or liability  
13 exists against the corporation, the secretary of state shall  
14 not cancel the certificate of dissolution until the filing  
15 delinquency or liability is satisfied.

16 b. If the secretary of state determines that the  
17 application contains the information required by subsection 1,  
18 and that a delinquency or liability reported pursuant to  
19 paragraph "a" ~~of this subsection~~ has been satisfied, and that  
20 the information is correct, the secretary of state shall  
21 cancel the certificate of dissolution and prepare a  
22 certificate of reinstatement that recites the secretary of  
23 state's determination and the effective date of reinstatement,  
24 file the ~~original of the~~ certificate of reinstatement, and  
25 serve a copy on the corporation under section 490.504. If the  
26 corporate name in subsection 1, paragraph "c", is different  
27 than the corporate name in subsection 1, paragraph "a", the  
28 certificate of reinstatement shall constitute an amendment to  
29 the articles of incorporation insofar as it pertains to the  
30 corporate name.

31 3. When the reinstatement is effective, it relates back to  
32 and takes effect as of the effective date of the  
33 administrative dissolution as if the administrative  
34 dissolution had never occurred.

35 4. ~~Notwithstanding the reinstatement period established in~~

1 subsection-17-a-corporation-administratively-dissolved-after  
2 December-317-19847-which-files-an-application-for  
3 reinstatement-prior-to-January-17-19967-containing-the  
4 information-required-under-subsection-17-shall-be-treated-as  
5 if-its-application-had-been-timely-filed-under-subsection-17  
6 In-this-case7-the-secretary-of-state-shall-process-the  
7 application-pursuant-to-subsection-2-and7-if-a-certificate-of  
8 reinstatement-is-issued7-the-provisions-of-subsection-3-shall  
9 apply A corporation shall not lose the right to retain its  
10 corporate name if the reinstatement is effective within five  
11 years of the effective date of the corporation's dissolution.

12 Sec. 9. Section 490.1701, subsection 3, paragraph a, Code  
13 Supplement 2005, is amended to read as follows:

14 a. The corporation shall amend or restate its articles of  
15 incorporation to indicate that the corporation adopts this  
16 chapter and to designate the address of its initial registered  
17 office and the name of its registered agent or agents at that  
18 office and, if the name of the corporation is not in  
19 compliance with the requirements of this chapter, to change  
20 the name of the corporation to one complying with the  
21 requirements of this chapter.

22 Sec. 10. Section 490A.121, subsections 2 and 3, Code 2005,  
23 are amended to read as follows:

24 2. The secretary of state files a document by stamping-or  
25 otherwise-endorsing recording it as "filed"7-together-with-the  
26 secretary-of-state's-name-and-official-title-and on the date  
27 and at the time of receipt7-on-both-the-document-and-the  
28 receipt-for-the-filing-fee7-and-recording-the-document-in-the  
29 records-of-the-secretary-of-state. After filing a document,  
30 and except as provided in section 490A.503, the secretary of  
31 state shall deliver the-document7-with-the-filing-fee-receipt7  
32 or-acknowledgment-of-receipt-if-no-fee-is-required7-attached7  
33 to the domestic or foreign limited liability company or its  
34 representative a copy of the document with an acknowledgement  
35 of the date and time of filing.

1 3. If the secretary of state refuses to file a document,  
2 the secretary of state shall return it to the domestic or  
3 foreign limited liability company or its representative ~~within~~  
4 ~~ten-days-after-the-document-was-received-by-the-secretary-of~~  
5 ~~state~~, together with a brief, written explanation of the  
6 reason for the refusal.

7 Sec. 11. Section 490A.124, subsection 1, paragraphs e and  
8 f, Code 2005, are amended by striking the paragraphs.

9 Sec. 12. Section 490A.131, subsection 1, paragraph b, Code  
10 Supplement 2005, is amended to read as follows:

11 b. The street ~~and-mailing~~ address of its designated  
12 registered office and the name and street ~~and-mailing~~ address  
13 of its registered agent ~~for-service-of-process-in-this-state~~.

14 Sec. 13. Section 490A.131, subsection 5, Code Supplement  
15 2005, is amended by striking the subsection.

16 Sec. 14. Section 490A.401, subsection 3, Code 2005, is  
17 amended to read as follows:

18 3. Except as authorized by subsections 4 and 5, a limited  
19 liability company name must be distinguishable upon the  
20 records of the secretary of state from all of the following:

21 a. The name of a limited liability company, limited  
22 partnership, or corporation organized under the law of this  
23 state or registered as a foreign limited liability company,  
24 foreign limited partnership, or foreign corporation in this  
25 state, or the name of any such entity that has been  
26 administratively dissolved for a period of less than five  
27 years from the date of the dissolution of the entity.

28 b. A name reserved in the manner provided under the law of  
29 this state.

30 c. The fictitious name adopted by a foreign corporation,  
31 foreign limited partnership, or foreign limited liability  
32 company authorized to transact business in this state, because  
33 its real name is unavailable.

34 d. The corporate name of a nonprofit corporation  
35 incorporated or authorized to transact business in this state,

1 or the corporate name of a nonprofit corporation that has been  
2 administratively dissolved for a period of less than five  
3 years from the date of the dissolution of the corporation.

4 Sec. 15. Section 490A.401, subsection 6, Code 2005, is  
5 amended to read as follows:

6 6. This chapter does not control the use of fictitious  
7 names; however, if a limited liability company or a foreign  
8 limited liability company uses a fictitious name in this state  
9 it shall deliver to the secretary of state for filing a  
10 certified copy of the resolution ~~of the limited liability~~  
11 company filed and executed according to 490A.120 adopting the  
12 fictitious name.

13 Sec. 16. Section 490A.1301, Code 2005, is amended by  
14 adding the following new subsection:

15 NEW SUBSECTION. 4. The limited liability company is  
16 administratively dissolved by the secretary of state under  
17 section 490A.1310.

18 Sec. 17. NEW SECTION. 490A.1308 REVOCATION OF  
19 DISSOLUTION.

20 1. A limited liability company may revoke its dissolution  
21 within one hundred twenty days of the effective date of its  
22 articles of dissolution.

23 2. Revocation of dissolution must be authorized in the  
24 same manner as the dissolution was authorized unless that  
25 authorization permitted revocation by action of the managers  
26 alone, in which event the managers may revoke the dissolution  
27 without member action.

28 3. After the revocation of dissolution is authorized, the  
29 limited liability company may revoke the dissolution by  
30 delivering to the secretary of state for filing articles of  
31 revocation of dissolution, together with a copy of its  
32 articles of dissolution, that set forth all of the following:

- 33 a. The name of the limited liability company.  
34 b. The effective date of the dissolution that was revoked.  
35 c. The date that the revocation of dissolution was

1 authorized.

2 d. If members of the company unanimously revoked the  
3 dissolution, a statement to that effect.

4 e. If the company's managers revoked a dissolution  
5 authorized by the members, a statement that revocation was  
6 permitted by action by the managers alone pursuant to that  
7 authorization.

8 4. Revocation of dissolution is effective upon the  
9 effective date of the articles of revocation of dissolution.

10 5. When the revocation of dissolution is effective, the  
11 revocation relates back to and takes effect as of the  
12 effective date of the dissolution as if the dissolution never  
13 occurred.

14 Sec. 18. NEW SECTION. 490A.1309 GROUNDS FOR  
15 ADMINISTRATIVE DISSOLUTION.

16 The secretary of state may commence a proceeding under  
17 section 490A.1310 to administratively dissolve a limited  
18 liability company if any of the following apply:

19 1. The limited liability company has not delivered a  
20 biennial report to the secretary of state in a form that meets  
21 the requirements of section 490A.131, within sixty days after  
22 the report is due, or has not paid the filing fee as  
23 determined by the secretary of state, within sixty days after  
24 the fee is due.

25 2. The limited liability company is without a registered  
26 agent or registered office in this state for sixty days or  
27 more.

28 3. The limited liability company does not notify the  
29 secretary of state within sixty days that its registered agent  
30 or registered office has been changed, that its registered  
31 agent has resigned, or that its registered office has been  
32 discontinued.

33 4. The limited liability company's period of duration  
34 stated in its articles of organization expires.

35 Sec. 19. NEW SECTION. 490A.1310 GROUNDS FOR AND EFFECT

1 OF ADMINISTRATIVE DISSOLUTION.

2 1. If the secretary of state determines that one or more  
3 grounds exist under section 490A.1309 for dissolving a limited  
4 liability company, the secretary of state shall serve the  
5 limited liability company with written notice of the secretary  
6 of state's determination pursuant to section 490A.504.

7 2. If the limited liability company does not correct each  
8 ground for dissolution or demonstrate to the reasonable  
9 satisfaction of the secretary of state that each ground  
10 determined by the secretary of state does not exist within  
11 sixty days after service of the notice is perfected under  
12 section 490A.504, the secretary of state shall  
13 administratively dissolve the limited liability company by  
14 signing a certificate of dissolution that recites the ground  
15 or grounds for dissolution and its effective date. The  
16 secretary of state shall file the certificate and serve a copy  
17 on the limited liability company under section 490A.504.

18 3. A limited liability company administratively dissolved  
19 continues its existence but shall not carry on any business  
20 except that necessary to wind up and liquidate its business  
21 and affairs and notify claimants.

22 4. The administrative dissolution of a limited liability  
23 company does not terminate the authority of its registered  
24 agent.

25 5. The secretary of state's administrative dissolution of  
26 a limited liability company pursuant to this section appoints  
27 the secretary of state as the limited liability company's  
28 agent for service of process in any proceeding based on a  
29 cause of action which arose during the time the limited  
30 liability company was authorized to transact business in this  
31 state. Service of process on the secretary of state under  
32 this subsection is service on the limited liability company.  
33 Upon receipt of process, the secretary of state shall serve a  
34 copy of the process on the limited liability company as  
35 provided in section 490A.504. This subsection does not

1 preclude service on the limited liability company's registered  
2 agent, if any.

3 Sec. 20. NEW SECTION. 490A.1311 REINSTATEMENT FOLLOWING  
4 ADMINISTRATIVE DISSOLUTION.

5 1. A limited liability company administratively dissolved  
6 under section 490A.1310 may apply to the secretary of state  
7 for reinstatement at any time after the effective date of  
8 dissolution. The application must be delivered to the  
9 secretary of state for filing and state all of the following:

10 a. The name of the limited liability company at its date  
11 of dissolution and the effective date of its administrative  
12 dissolution.

13 b. That the ground or grounds for dissolution have been  
14 eliminated.

15 c. If the application is received more than five years  
16 after the effective date of dissolution, that the name of the  
17 limited liability company satisfies the requirements of  
18 section 490A.401.

19 d. The federal tax identification number of the limited  
20 liability company.

21 2. a. The secretary of state shall refer the federal tax  
22 identification number contained in the application for  
23 reinstatement to the department of revenue. The department of  
24 revenue shall report to the secretary of state the tax status  
25 of the limited liability company. If the department reports  
26 to the secretary of state that a filing delinquency or  
27 liability exists against the limited liability company, the  
28 secretary of state shall not cancel the certificate of  
29 dissolution until the filing delinquency or liability is  
30 satisfied.

31 b. If the secretary of state determines that the  
32 application contains the information required by subsection 1,  
33 that a delinquency or liability reported pursuant to paragraph  
34 "a" has been satisfied, and that the information is correct,  
35 the secretary of state shall cancel the certificate of

1 dissolution and prepare a certificate of reinstatement that  
2 recites the secretary of state's determination and the  
3 effective date of reinstatement, file the document, and  
4 deliver a copy to the limited liability company under section  
5 490A.504. If the name in subsection 1, paragraph "c", is  
6 different than the name in subsection 1, paragraph "a", the  
7 certificate of reinstatement shall constitute an amendment to  
8 the articles of organization insofar as it pertains to the  
9 name.

10 3. When the reinstatement is effective, it relates back to  
11 and takes effect as of the effective date of the  
12 administrative dissolution as if the administrative  
13 dissolution had never occurred.

14 4. A limited liability company shall not lose the right to  
15 retain its name if the reinstatement is effective within five  
16 years of the effective date of the limited liability company's  
17 dissolution.

18 Sec. 21. NEW SECTION. 490A.1312 APPEAL FROM DENIAL OF  
19 REINSTATEMENT.

20 1. If the secretary of state denies a limited liability  
21 company's application for reinstatement following  
22 administrative dissolution, the secretary of state shall serve  
23 the limited liability company under section 490A.504 with a  
24 written notice that explains the reason or reasons for the  
25 denial.

26 2. The limited liability company may appeal the denial of  
27 reinstatement to the district court within thirty days after  
28 service of the notice of denial is perfected. The limited  
29 liability company may appeal by petitioning the court to set  
30 aside the dissolution and attaching to the petition a copy of  
31 the secretary of state's certificate of dissolution, the  
32 limited liability company's application for reinstatement, and  
33 the secretary of state's notice of denial.

34 3. The court may summarily order the secretary of state to  
35 reinstate the dissolved limited liability company or may take

1 other action the court considers appropriate.

2 Sec. 22. Section 490A.1402, Code 2005, is amended by  
3 striking the section and inserting in lieu thereof the  
4 following:

5 490A.1402 REGISTRATION.

6 1. A foreign limited liability company may apply for a  
7 certificate of authority to transact business in this state by  
8 delivering an application to the secretary of state for  
9 filing. The application shall set forth all of the following:

10 a. The name of the foreign limited liability company, or  
11 if its name is unavailable for use in this state, a name that  
12 satisfies the requirements of section 490A.1404.

13 b. The name of the state or country under whose law the  
14 foreign limited liability company is organized.

15 c. The date of formation and period of duration.

16 d. The street address of the foreign limited liability  
17 company's principal office.

18 e. The address of the foreign limited liability company's  
19 registered office in this state and the name of its registered  
20 agent at that address.

21 2. The foreign limited liability company shall deliver the  
22 completed application to the secretary of state and also  
23 deliver to the secretary of state a certificate of existence  
24 or a document of similar import duly authenticated by the  
25 secretary of state or proper officer of the state or other  
26 jurisdiction of its formation which is dated no earlier than  
27 ninety days prior to the date the application is filed with  
28 the secretary of state.

29 Sec. 23. Section 490A.1410, subsection 1, paragraph a,  
30 Code 2005, is amended by adding the following new  
31 subparagraph:

32 NEW SUBPARAGRAPH. (5) Deliver for filing to the secretary  
33 of state a biennial report as required by section 490A.131.

34 Sec. 24. Section 499.78, subsection 1, Code 2005, is  
35 amended to read as follows:

S.F. \_\_\_\_\_ H.F. \_\_\_\_\_

1 1. An association administratively dissolved under section  
2 499.77 may apply to the secretary of state for reinstatement  
3 within-two-years at any time after the effective date of  
4 dissolution. The application must meet all of the following  
5 requirements:

6 Sec. 25. Section 501.104, Code 2005, is amended to read as  
7 follows:

8 501.104 NAME.

9 The name of a cooperative organized under this chapter ~~must~~  
10 contain shall meet all of the following requirements:

11 1. Contain the word "cooperative", "coop", or "co-op"~~7--and~~  
12 the-name-must-be.

13 2. Be distinguishable from ~~the~~ all of the following:

14 a. The names of cooperatives organized under this chapter  
15 or another chapter~~7--or.~~

16 b. The names of cooperatives which have been  
17 administratively dissolved for a period of less than five  
18 years from the date of the dissolution of each cooperative.

19 c. The names of foreign cooperatives authorized to do  
20 business in this state.

21 Sec. 26. Section 501.813, Code 2005, is amended to read as  
22 follows:

23 501.813 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
24 DISSOLUTION.

25 1. A cooperative administratively dissolved under section  
26 501.812 may apply to the secretary of state for reinstatement  
27 within-two-years at any time after the effective date of  
28 dissolution. The application must meet all of the following  
29 requirements:

30 a. Recite the name of the cooperative at its date of  
31 dissolution and the effective date of its administrative  
32 dissolution.

33 b. State that the ground or grounds for dissolution have  
34 been eliminated.

35 c. State If the application is received more than five

1 years after the effective date of dissolution, state a name  
2 that satisfies the requirements of section 501.104.

3 d. State the federal tax identification number of the  
4 cooperative.

5 2. a. The secretary of state shall refer the federal tax  
6 identification number contained in the application for  
7 reinstatement to the department of revenue. The department of  
8 revenue shall report to the secretary of state the tax status  
9 of the cooperative. If the department reports to the  
10 secretary of state that a filing delinquency or liability  
11 exists against the cooperative, the secretary of state shall  
12 not cancel the certificate of dissolution until the filing  
13 delinquency or liability is satisfied.

14 b. If the secretary of state determines that the  
15 application contains the information required by subsection 1,  
16 and that a delinquency or liability reported pursuant to  
17 paragraph "a" has been satisfied, and that the information is  
18 correct, the secretary of state shall cancel the certificate  
19 of dissolution and prepare a certificate of reinstatement that  
20 recites the secretary of state's determination and the  
21 effective date of reinstatement, file the ~~original-of-the~~  
22 certificate of reinstatement, and serve a copy on the  
23 cooperative under section 501.106. If the name of the  
24 cooperative as provided in subsection 1, paragraph "c", is  
25 different than the name in subsection 1, paragraph "a", the  
26 certificate of reinstatement shall constitute an amendment to  
27 the articles of association insofar as it pertains to the  
28 name.

29 3. When the reinstatement is effective, it relates back to  
30 and takes effect as of the effective date of the  
31 administrative dissolution as if the administrative  
32 dissolution had never occurred.

33 4. A cooperative shall not lose the right to retain its  
34 name if the reinstatement is effective within five years of  
35 the effective date of the cooperative's dissolution.

1 Sec. 27. Section 504.401, subsections 2 and 5, Code  
2 Supplement 2005, are amended to read as follows:

3 2. Except as authorized by subsections 3 and 4, a  
4 corporate name must be distinguishable upon the records of the  
5 secretary of state from:

6 a. The corporate name of any other nonprofit or business  
7 corporation incorporated or authorized to do business in this  
8 state.

9 b. A corporate name reserved, or registered, or protected  
10 under section 486A.1001, 488.108, 488.109, 488.810, 490.401,  
11 490.402, 490.403, 490.1422, 490A.401, 490A.402, 490A.1311,  
12 504.402, or 504.403, 504.1423, or 547.1.

13 c. The fictitious name of a foreign business or nonprofit  
14 corporation authorized to transact business in this state  
15 because its real name is unavailable.

16 5. This chapter does not control the use of fictitious  
17 names; however, if a corporation or a foreign corporation uses  
18 a fictitious name in this state, it shall deliver to the  
19 secretary of state for filing a certified copy of the  
20 ~~resolution of its board of directors, certified by its~~  
21 ~~secretary, filed and executed according to section 504.111~~  
22 adopting the fictitious name.

23 Sec. 28. Section 504.1423, Code 2005, is amended to read  
24 as follows:

25 504.1423 REINSTATEMENT FOLLOWING ADMINISTRATIVE  
26 DISSOLUTION.

27 1. A corporation administratively dissolved under section  
28 504.1422 may apply to the secretary of state for reinstatement  
29 within two years at any time after the effective date of  
30 dissolution. The application must state all of the following:

31 a. The name of the corporation and the effective date of  
32 its administrative dissolution.

33 b. That the ground or grounds for dissolution either did  
34 not exist or have been eliminated.

35 c. That if the application is received more than five

1 years after the effective date of dissolution, that the  
2 corporation's name satisfies the requirements of section  
3 504.401.

4 d. The federal tax identification number of the  
5 corporation.

6 2. a. The secretary of state shall refer the federal tax  
7 identification number contained in the application for  
8 reinstatement to the department of revenue. The department of  
9 revenue shall report to the secretary of state the tax status  
10 of the corporation. If the department reports to the  
11 secretary of state that a filing delinquency or liability  
12 exists against the corporation, the secretary of state shall  
13 not cancel the certificate of dissolution until the filing  
14 delinquency or liability is satisfied.

15 b. If the secretary of state determines that the  
16 application contains the information required by subsection 1,  
17 that a delinquency or liability reported pursuant to paragraph  
18 "a" has been satisfied, and that all of the application  
19 information is correct, the secretary of state shall cancel  
20 the certificate of dissolution and prepare a certificate of  
21 reinstatement reciting that determination and the effective  
22 date of reinstatement, file the ~~original-of-the~~ certificate of  
23 reinstatement, and serve a copy on the corporation under  
24 section 504.504. If the corporate name in subsection 1,  
25 paragraph "c", is different from the corporate name in  
26 subsection 1, paragraph "a", the certificate of reinstatement  
27 shall constitute an amendment to the articles of incorporation  
28 insofar as it pertains to the corporate name.

29 3. When reinstatement is effective, it relates back to and  
30 takes effect as of the effective date of the administrative  
31 dissolution and the corporation shall resume carrying on its  
32 activities as if the administrative dissolution had never  
33 occurred.

34 4. A corporation shall not lose the right to retain its  
35 corporate name if the reinstatement is effective within five

1 years of the effective date of the corporation's dissolution.

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EXPLANATION

3 This bill relates to the regulation of business  
4 organizations by the secretary of state.

5 The bill provides for the administrative dissolution and  
6 reinstatement of partnerships. The bill places additional  
7 restrictions on the naming of a limited partnership and  
8 provides for the retention of a name of a limited partnership  
9 upon reinstatement after administrative dissolution.

10 The bill provides for a corporation to apply for  
11 reinstatement after administrative dissolution at any time  
12 after the effective date of the dissolution and allows the  
13 corporation to retain its corporate name after reinstatement.

14 The bill modifies the method by which the secretary must  
15 file documents for limited liability companies and removes the  
16 time requirement in which the secretary of state must return a  
17 document that has been refused filing. The bill eliminates  
18 fees for the filing of an application for registered name per  
19 month and an application for renewal of registered name for  
20 limited liability companies. The bill strikes the provision  
21 relating to the filing of the first biennial report of a  
22 limited liability company. The bill places additional  
23 restrictions on the name of a limited liability company and  
24 the name of a foreign limited liability company. The bill  
25 provides for the revocation of a dissolution of a limited  
26 liability company. The bill provides for the administrative  
27 dissolution of a limited liability company, the reinstatement  
28 following an administrative dissolution, and the right to  
29 appeal from a denial of reinstatement.

30 The bill modifies the registration requirements for a  
31 foreign limited liability company. The bill provides that a  
32 certificate of authority of a foreign limited liability  
33 company may be revoked for failure to deliver required  
34 biennial reports.

35 The bill allows a cooperative association and a closed

1 cooperative that has been administratively dissolved to apply  
2 for reinstatement at any time after dissolution. The bill  
3 restricts the naming of closed cooperatives.

4 The bill restricts the naming of nonprofit corporations and  
5 allows nonprofit corporations that have been administratively  
6 dissolved to apply for reinstatement at any time after  
7 dissolution. The bill allows a nonprofit corporation to  
8 retain its name after reinstatement.

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# Memo

**To:** Members of the General Assembly  
**From:** Secretary of State  
**Date:** January 17, 2006  
**Re:** Bill Relating to the Regulation of Business Organizations

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This bill reconciles administrative dissolution procedures for Limited liability companies and other business entities to streamline the processes so that they are similar for all business entities. This bill makes a change from 2 to 5 years for reinstatement of an administratively dissolved corporation or other business entity. This bill is a collaborative product of the Business Law Section of the Iowa Bar and the Secretary of State. Most of the changes suggested come from the Bar with the concurrence of the Secretary.