

**Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 12-0737.01 Thomas Morris x4218

SENATE BILL 12-123

SENATE SPONSORSHIP

Renfro, Brophy, Cadman, Grantham, Harvey, King K., King S., Lambert, Lundberg,
Mitchell, Neville, Roberts, Scheffel, Steadman, White

HOUSE SPONSORSHIP

Brown,

Senate Committees

State, Veterans & Military Affairs
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE SECRETARY OF STATE'S ON-LINE BUSINESS FILING**
102 **SYSTEM, AND, IN CONNECTION THEREWITH, AUTHORIZING**
103 **ENHANCEMENTS TO THE SYSTEM, THE DESIGNATION OF**
104 **COMMERCIAL REGISTERED AGENTS, AND CHANGES TO A**
105 **REPORTING ENTITY'S ANNIVERSARY MONTH AND MAKING AN**
106 **APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

Section 1 of the bill directs the secretary of state to implement enhancements to the on-line business filing system, including enhancements to user accounts and for registered agents and records management, certifications, the integration of business documents with charitable solicitation documents, and greater search functionality.

Sections 2 through 6 authorize a registered agent to become a "commercial registered agent", which allows a registered agent to file documents relating to multiple entities, thus saving the registered agent time and reducing filing fees. **Section 7** allows a reporting entity to change its anniversary month when it files a periodic report, its organic organizational document, or a restatement of its organic organizational document.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-21-111.5 as
3 follows:

4 **24-21-111.5. Electronic filing system - improvements -**
5 **integration with other systems.** (1) AT THE EARLIEST PRACTICABLE
6 DATE, THE SECRETARY OF STATE SHALL DEVELOP AND IMPLEMENT
7 ENHANCEMENTS TO THE ON-LINE BUSINESS FILING INFORMATION SYSTEMS.
8 THE ENHANCEMENTS MUST INCLUDE AT LEAST THE FOLLOWING:

9 (a) ENHANCEMENTS TO USER ACCOUNTS THAT:

10 (I) ALLOW FOR THE ASSOCIATION OF MULTIPLE BUSINESS RECORDS
11 IN ONE ACCOUNT;

12 (II) ALLOW A USER TO FILE MULTIPLE DOCUMENTS AT ONE TIME;

13 (III) CREATE A SYSTEM THAT ALLOWS A USER TO PAY FOR
14 MULTIPLE FILINGS AT ONE TIME; AND

15 (IV) CREATE, AT THE SECRETARY'S DISCRETION, THE ABILITY FOR
16 A USER TO STORE PAYMENT INFORMATION, VIEW THE USER'S BALANCE,
17 VIEW THE USER'S TRANSACTION HISTORY, AND ADD MONEY TO THE USER'S
18 ACCOUNT;

1 (b) ENHANCEMENTS FOR REGISTERED AGENTS AND TO RECORD
2 MANAGEMENT SYSTEMS THAT ALLOW A REGISTERED AGENT TO QUICKLY
3 IDENTIFY THE BUSINESS ENTITIES AND CHARITABLE ORGANIZATIONS FOR
4 WHICH THE REGISTERED AGENT IS LISTED AND TO DETERMINE WHEN
5 REPORTS ARE DUE;

6 (c) ENHANCEMENTS FOR EXTERNAL CERTIFICATIONS THAT ALLOW
7 USERS TO OBTAIN CERTIFIED DOCUMENTS, CERTIFICATES OF FACT, AND
8 ANY OTHER SIMILAR AUTHENTIFICATIONS THAT THE SECRETARY DEEMS
9 NECESSARY;

10 (d) ENHANCEMENTS THAT ALLOW FOR THE ON-LINE FILING OF
11 DOCUMENTS THAT WOULD GUIDE THE USER THROUGH THE FILING PROCESS;

12 (e) ENHANCEMENTS THAT ALLOW FOR THE INTEGRATION OF ANY
13 DOCUMENTS FILED PURSUANT TO TITLE 7, C.R.S., WITH ANY DOCUMENTS
14 FILED PURSUANT TO ARTICLE 16 OF TITLE 6, C.R.S., AS WELL AS ANY
15 CHANGES THE SECRETARY DEEMS NECESSARY TO IMPLEMENT SUCH
16 INTEGRATION, INCLUDING CHANGES INVOLVING THE FILING OF
17 REGISTRATION STATEMENTS, AMENDMENTS, AND RENEWALS, AND
18 CHANGES TO THE SEARCH FUNCTION; AND

19 (f) ENHANCEMENTS THAT ALLOW USERS GREATER SEARCH
20 FUNCTIONALITY, PROVIDE MORE USEFUL AND SPECIFIC SEARCH RESULTS,
21 AND ALLOW FOR GREATER USABILITY.

22 **SECTION 2.** In Colorado Revised Statutes, 7-90-102, **amend**
23 (55); and **add** (3.8) as follows:

24 **7-90-102. Definitions.** As used in this title, except as otherwise
25 defined for the purpose of any section, subpart, part, or article of this title,
26 or unless the context otherwise requires:

27 (3.8) "COMMERCIAL REGISTERED AGENT" MEANS A REGISTERED

1 AGENT WHO HAS FILED THE APPROPRIATE DOCUMENTATION WITH THE
2 SECRETARY OF STATE TO BECOME LISTED AS A COMMERCIAL REGISTERED
3 AGENT PURSUANT TO SECTION 7-90-707.

4 (55) "Registered agent" means the registered agent required to be
5 maintained by an entity pursuant to part 7 of this article or appointed
6 pursuant to article 70 of this title. "REGISTERED AGENT" INCLUDES A
7 COMMERCIAL REGISTERED AGENT.

8 **SECTION 3.** In Colorado Revised Statutes, 7-90-305, **amend** (2)
9 (a) as follows:

10 **7-90-305. Correcting filed document.** (2) A statement of
11 correction:

12 (a) Shall state the entity name of the entity to which the document
13 relates or, if the entity to which the document relates does not have an
14 entity name, shall state the true name of the entity, or, in the case of a
15 trade name, shall state the trade name and the name of the person
16 transacting business or conducting activities under such name, or, in the
17 case of a statement of trademark registration or any other document
18 relating to a statement of trademark registration, shall identify the
19 statement of trademark registration in a manner satisfactory to the
20 secretary of state, OR, IN THE CASE OF A COMMERCIAL REGISTERED AGENT,
21 SHALL STATE THE NAME OF THE COMMERCIAL REGISTERED AGENT AS
22 REFLECTED IN THE RECORDS OF THE SECRETARY OF STATE;

23 **SECTION 4.** In Colorado Revised Statutes, 7-90-305.5, **amend**
24 (2) (a) as follows:

25 **7-90-305.5. Statement of change.** (2) A filed document is
26 changed by causing to be delivered to the secretary of state, for filing
27 pursuant to this part 3, a statement of change that:

1 (a) States the entity name of the entity to which the document
2 relates or, if the entity to which the document relates does not have an
3 entity name, states the true name of the entity, or, in the case of a trade
4 name, states the trade name and the name of the person transacting
5 business or conducting activities under such name, or, in the case of a
6 statement of trademark registration or any document relating to a
7 statement of trademark registration, identifies the statement of trademark
8 registration in a manner satisfactory to the secretary of state, OR, IN THE
9 CASE OF A COMMERCIAL REGISTERED AGENT, STATES THE NAME OF THE
10 COMMERCIAL REGISTERED AGENT AS REFLECTED IN THE RECORDS OF THE
11 SECRETARY OF STATE;

12 **SECTION 5.** In Colorado Revised Statutes, 7-90-703, **amend** (1)
13 as follows:

14 **7-90-703. Correction of registered agent.** (1) A registered agent
15 may correct either or both its registered agent address and registered agent
16 name as contained in a document on file in the office of the secretary of
17 state, if such information was incorrect when that document was
18 delivered for filing, by causing to be delivered to the secretary of state,
19 for filing pursuant to part 3 of this article, a statement of correction that,
20 in addition to the information required to be stated in the statement of
21 correction pursuant to section 7-90-305, states that notice of the
22 correction has been delivered to:

23 (a) The entity; OR

24 (b) IF THE STATEMENT OF CORRECTION IS DELIVERED FOR FILING
25 ON BEHALF OF A COMMERCIAL REGISTERED AGENT, EACH ENTITY AND
26 TRADEMARK REGISTRANT THAT THE COMMERCIAL REGISTERED AGENT
27 REPRESENTS. THE FILING OF A STATEMENT OF CORRECTION DELIVERED ON

1 BEHALF OF A COMMERCIAL REGISTERED AGENT PURSUANT TO THIS
2 SUBSECTION (1) IS EFFECTIVE TO CORRECT THE INFORMATION REGARDING
3 THE COMMERCIAL REGISTERED AGENT WITH RESPECT TO EACH ENTITY AND
4 TRADEMARK REGISTRANT REPRESENTED BY THE COMMERCIAL REGISTERED
5 AGENT.

6 **SECTION 6.** In Colorado Revised Statutes, **add** 7-90-707,
7 7-90-708, 7-90-709, and 7-90-710 as follows:

8 **7-90-707. Commercial registered agent.** (1) A REGISTERED
9 AGENT MAY BECOME LISTED AS A COMMERCIAL REGISTERED AGENT BY
10 DELIVERING A COMMERCIAL REGISTERED AGENT LISTING STATEMENT TO
11 THE SECRETARY OF STATE FOR FILING PURSUANT TO PART 3 OF THIS
12 ARTICLE. THE STATEMENT MUST INCLUDE THE REGISTERED AGENT NAME
13 AND REGISTERED AGENT ADDRESS OF THE REGISTERED AGENT AND THE
14 E-MAIL ADDRESS OF THE REGISTERED AGENT THAT WILL BE USED TO
15 RECEIVE NOTIFICATIONS FROM THE SECRETARY OF STATE.

16 (2) THE STATEMENT MUST BE ACCOMPANIED BY A LIST OF THE
17 ENTITIES REPRESENTED BY THE REGISTERED AGENT AT THE TIME THE
18 STATEMENT IS FILED. IF THE REGISTERED AGENT IS APPOINTED AS AN
19 AGENT FOR A TRADEMARK REGISTRANT WHO IS AN INDIVIDUAL WHO IS NOT
20 A RESIDENT OF THIS STATE, THE REGISTERED AGENT SHALL IDENTIFY THE
21 STATEMENT OF TRADEMARK REGISTRATION TO THE SATISFACTION OF THE
22 SECRETARY OF STATE.

23 (3) A COMMERCIAL REGISTERED AGENT LISTING STATEMENT MUST
24 NOT STATE A DELAYED EFFECTIVE DATE.

25 **7-90-708. Termination of commercial registered agent listing.**

26 (1) A COMMERCIAL REGISTERED AGENT MAY TERMINATE ITS LISTING AS
27 A COMMERCIAL REGISTERED AGENT BY DELIVERING A COMMERCIAL

1 REGISTERED AGENT TERMINATION STATEMENT TO THE SECRETARY OF
2 STATE FOR FILING PURSUANT TO PART 3 OF THIS ARTICLE. THE STATEMENT
3 MUST INCLUDE:

4 (a) THE NAME OF THE REGISTERED AGENT AS REFLECTED IN THE
5 RECORDS OF THE SECRETARY OF STATE AT THE TIME THE STATEMENT IS
6 FILED;

7 (b) A STATEMENT INDICATING THAT THE COMMERCIAL REGISTERED
8 AGENT NO LONGER SERVES AS A COMMERCIAL REGISTERED AGENT IN THIS
9 STATE; AND

10 (c) A STATEMENT INDICATING THAT NOTICE OF THE TERMINATION
11 HAS BEEN DELIVERED TO EACH ENTITY AND TRADEMARK REGISTRANT
12 THAT THE COMMERCIAL REGISTERED AGENT REPRESENTS.

13 (2) NOTWITHSTANDING SECTION 7-90-304, A COMMERCIAL
14 REGISTERED AGENT TERMINATION STATEMENT IS EFFECTIVE ON THE
15 THIRTY-FIRST DAY FOLLOWING THE DAY THAT THE COMMERCIAL
16 REGISTERED AGENT TERMINATION STATEMENT IS FILED IN THE RECORDS
17 OF THE SECRETARY OF STATE OR ON A DELAYED EFFECTIVE DATE STATED
18 IN THE COMMERCIAL REGISTERED AGENT TERMINATION STATEMENT THAT
19 IS NOT EARLIER THAN THE THIRTY-FIRST DAY AND NOT LATER THAN THE
20 NINETIETH DAY FOLLOWING THE DAY THE COMMERCIAL REGISTERED
21 AGENT TERMINATION STATEMENT IS FILED IN THE RECORDS OF THE
22 SECRETARY OF STATE.

23 (3) A COMMERCIAL REGISTERED AGENT CEASES TO BE THE AGENT
24 FOR SERVICE OF PROCESS FOR AN ENTITY AND TRADEMARK REGISTRANT
25 FORMERLY REPRESENTED BY THE COMMERCIAL REGISTERED AGENT WHEN
26 THE TERMINATION STATEMENT BECOMES EFFECTIVE. IF AN ENTITY OR
27 TRADEMARK REGISTRANT REPRESENTED BY THE PERSON THAT IS

1 RESIGNING AS A COMMERCIAL REGISTERED AGENT APPOINTS A REGISTERED
2 AGENT BEFORE THE EFFECTIVE DATE OF THE TERMINATION STATEMENT,
3 THE COMMERCIAL REGISTERED AGENT CEASES TO BE THE AGENT FOR THAT
4 ENTITY OR TRADEMARK REGISTRANT ON THE EFFECTIVE DATE OF THE
5 APPOINTMENT OF THE NEW REGISTERED AGENT.

6 **7-90-709. Change of commercial registered agent name or**
7 **address.** (1) IF A COMMERCIAL REGISTERED AGENT CHANGES ITS
8 REGISTERED AGENT NAME OR ITS REGISTERED AGENT ADDRESS, THE
9 COMMERCIAL REGISTERED AGENT SHALL DELIVER TO THE SECRETARY OF
10 STATE, FOR FILING PURSUANT TO PART 3 OF THIS ARTICLE, A STATEMENT
11 OF CHANGE THAT STATES, IN ADDITION TO THE INFORMATION REQUIRED BY
12 SECTION 7-90-305.5, THAT THE COMMERCIAL REGISTERED AGENT HAS
13 DELIVERED NOTICE OF THE CHANGE TO EACH ENTITY AND TRADEMARK
14 REGISTRANT REPRESENTED BY THE COMMERCIAL REGISTERED AGENT.

15 (2) THE FILING OF A STATEMENT OF CHANGE PURSUANT TO THIS
16 SECTION IS EFFECTIVE TO CHANGE THE INFORMATION REGARDING THE
17 COMMERCIAL REGISTERED AGENT WITH RESPECT TO EACH ENTITY AND
18 TRADEMARK REGISTRANT REPRESENTED BY THE COMMERCIAL REGISTERED
19 AGENT.

20 **7-90-710. Listing of entities represented by commercial**
21 **registered agents.** THE SECRETARY OF STATE SHALL MAKE AVAILABLE
22 UPON REQUEST A LIST OF FILINGS MADE DURING THE PREVIOUS MONTH
23 THAT CONTAIN THE NAME OF A COMMERCIAL REGISTERED AGENT. THE
24 SECRETARY OF STATE MAY ASSESS A FEE FOR THE REQUESTED LISTS.

25 **SECTION 7.** In Colorado Revised Statutes, 7-90-501, **amend** (4)
26 (c) (II) as follows:

27 **7-90-501. Periodic reports.** (4) (c) (II) ~~The secretary of state may~~

1 ~~permit, on such conditions as the secretary of state may determine, A~~
2 ~~reporting entity to~~ MAY, AT THE TIME OF FILING THE CONSTITUENT FILED
3 DOCUMENT OR THE PERIODIC REPORT, select an anniversary month
4 different than the anniversary month as established in subparagraph (I) of
5 this paragraph (c). ~~by delivering to the secretary of state, for filing~~
6 ~~pursuant to part 3 of this article, a statement of election of alternative~~
7 ~~anniversary month~~ IF AN ENTITY ELECTS TO CHANGE ITS ANNIVERSARY
8 MONTH PURSUANT TO THIS SUBPARAGRAPH (II), THAT ENTITY MAY NOT
9 SUBSEQUENTLY CHANGE ITS ANNIVERSARY MONTH FOR A PERIOD OF AT
10 LEAST ONE YEAR.

11 **SECTION 8. In Colorado Revised Statutes, add 24-21-113 as**
12 **follows:**

13 **24-21-113. Secretary of state business software licensing -**
14 **business computer systems maintenance and enhancement cash fund.**

15 **(1) THE SECRETARY OF STATE MAY CHARGE FEES FOR THE LICENSING OR**
16 **SALE OF BUSINESS AND LICENSING SOFTWARE DEVELOPED BY THE**
17 **DEPARTMENT OF STATE.**

18 **(2) THE SECRETARY OF STATE SHALL TRANSMIT ALL FEES**
19 **COLLECTED PURSUANT TO SUBSECTION (1) OF THIS SECTION TO THE STATE**
20 **TREASURER, WHO SHALL CREDIT THEM TO THE BUSINESS COMPUTER**
21 **SYSTEMS MAINTENANCE AND ENHANCEMENT CASH FUND, WHICH FUND IS**
22 **HEREBY CREATED. THE SECRETARY OF STATE SHALL USE THE MONEYS**
23 **CREDITED TO THE FUND ONLY FOR THE MAINTENANCE OR ENHANCEMENT**
24 **OF THE DEPARTMENT OF STATE'S BUSINESS COMPUTER SYSTEMS. MONEYS**
25 **TRANSFERRED TO THE FUND SHALL NOT BE DEPOSITED IN OR TRANSFERRED**
26 **TO THE GENERAL FUND OF THIS STATE OR ANY OTHER FUND. THE MONEYS**
27 **CREDITED TO THE FUND ARE AVAILABLE FOR APPROPRIATION BY THE**

1 GENERAL ASSEMBLY TO THE DEPARTMENT OF STATE IN THE GENERAL
2 APPROPRIATION BILL.

3 **SECTION 9. Appropriation.** In addition to any other
4 appropriation, there is hereby appropriated, out of any moneys in the
5 department of state cash fund created in section 24-21-104 (3) (b),
6 Colorado Revised Statutes, not otherwise appropriated, to the department
7 of state, for the fiscal year beginning July 1, 2012, the sum of \$525,788,
8 or so much thereof as may be necessary, for allocation to information
9 technology services for contract computer programming services related
10 to the implementation of this act.

11 **SECTION 10. Effective date.** This act takes effect upon passage;
12 except that sections 2 through 7 of this act take effect ninety days
13 following certification in writing by the secretary of state to the revisor
14 of statutes that the secretary of state has implemented the necessary
15 computer system changes to implement said sections.

16 **SECTION 11. Safety clause.** The general assembly hereby finds,
17 determines, and declares that this act is necessary for the immediate
18 preservation of the public peace, health, and safety.