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An Act

HOUSE BILL 05-1149

BY REPRESENTATIVE(S) Stengel, Berens, Buescher, Crane, Hefley, McGihon, and Madden;
also SENATOR(S) Veiga, and Evans.

CONCERNING THE GOVERNANCE OF BUSINESS ENTITIES.

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

SECTION 1. The introductory portion to 7-63-108 (3) and 7-63-108 (3) (g), Colorado Revised Statutes, are amended to read:

7-63-108. Reference to corporation law. (3) Except as otherwise provided in this article, article 90 of this title and, to the extent not addressed ~~therein~~ IN SAID ARTICLE 90, the law of this state applicable to a corporation formed under the "Colorado Business Corporation Act", articles 101 to 117 of this title, shall apply to an association with respect to the following matters:

(g) The ~~administrative dissolution and reinstatement and the judicial~~ dissolution of an association; and

SECTION 2. 7-80-108 (2) (d), Colorado Revised Statutes, is amended to read:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

7-80-108. Effect of operating agreement - nonwaivable provisions. (2) An operating agreement may not:

(d) Eliminate the obligation of good faith and fair dealing under section 7-80-404 (3); except that the ~~members, by~~ OPERATING agreement may ~~determine~~ PRESCRIBE the standards by which the performance of the obligation is to be measured, if such standards are not unreasonable; or

SECTION 3. 7-80-501, Colorado Revised Statutes, is amended to read:

7-80-501. Form of contribution. The contribution of a member may be in cash, property, or services rendered or a promissory note or other obligation to contribute cash or property or to perform services. A person may be admitted to a limited liability company as a member of the limited liability company and may receive a membership interest in the limited liability company without making a contribution or being obligated to make a contribution to the limited liability company. Unless otherwise provided in ~~a limited liability company~~ THE OPERATING agreement, a person may be admitted to a limited liability company as a member of the limited liability company without acquiring a membership interest in the limited liability company. Unless otherwise provided in ~~a limited liability company~~ THE OPERATING agreement, a person may be admitted as the sole member of a limited liability company without making a contribution or being obligated to make a contribution to the limited liability company or without acquiring a membership interest in the limited liability company.

SECTION 4. 7-90-102 (2), (10.5), (13.5), (15.3), (16), (17), (23.3), (32.5), (32.7), (37), (40.7), (49), and (58), Colorado Revised Statutes, are amended to read:

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

(2) "Articles of incorporation" means, with respect to a domestic cooperative, a domestic corporation, or other domestic entity that is formed under or subject to the "Colorado Business Corporation Act", articles 101 to 117 of this title, articles of incorporation as that term is used in the

"Colorado Business Corporation Act". With respect to a corporation formed under or subject to article 40 of this title, "articles of incorporation" means certificate of incorporation as that term is used in article 40 of this title. With respect to A DOMESTIC COOPERATIVE, a domestic nonprofit corporation, or other domestic entity that is formed under or subject to the "Colorado Revised Nonprofit Corporation Act", articles 121 to 137 of this title, "articles of incorporation" means articles of incorporation as that term is used in the "Colorado Revised Nonprofit Corporation Act". ~~With respect to a domestic cooperative, a domestic nonprofit corporation, or other domestic entity that is formed under or subject to the "Colorado Revised Nonprofit Corporation Act", articles 121 to 137 of this title, "articles of incorporation" means articles of incorporation as that term is used in the "Colorado Revised Nonprofit Corporation Act".~~ With respect to a foreign corporation or foreign nonprofit corporation, "articles of incorporation" means the corresponding document filed with the jurisdiction, under the law of which the corporation or nonprofit corporation is formed.

(10.5) "Deliver" includes mail; except that delivery to the secretary of state means actual receipt by the secretary of state. "Deliver" to an entity by the secretary of state includes delivery or mail to the registered agent address of the entity's registered agent, or to the principal office address of the entity, or to such other address as the entity may have provided to the secretary of state for such purposes, unless otherwise specified IN SECTION 7-90-902 OR by an organic statute other than this article.

(13.5) "Domestic entity name" means the name of a domestic entity as stated in the entity's constituent filed document or as changed pursuant to section 7-90-601.5 OR 7-90-601.6.

(15.3) "Domestic limited liability limited partnership" means a domestic limited partnership that is REGISTERED AS a limited liability limited partnership ~~as defined in the "Colorado Uniform Limited Partnership Act of 1981", article 62 of this title, or as defined in the "Colorado Uniform Partnership Act (1997)", article 64 of this title~~ UNDER SECTION 7-60-144 or 7-64-1002.

(16) "Domestic limited partnership" means a limited partnership as defined in the "Uniform Limited Partnership Law of 1931", article 61 of this title, or as defined in the "Colorado Uniform Limited Partnership Act of 1981", article 62 of this title. The term includes a limited ~~liability limited partnership as defined in the "Colorado Uniform Limited~~

~~Partnership Act of 1981", article 62 of this title, or as defined in the "Colorado Uniform Partnership Act (1997)", article 64 of this title THAT IS A LIMITED LIABILITY LIMITED PARTNERSHIP.~~

(17) "Domestic limited partnership association" means a limited partnership ASSOCIATION formed under the "Colorado Limited Partnership Association Act", article 63 of this title.

(23.3) "Foreign entity name" means:

(a) The name of a foreign entity under which it is authorized to transact business or conduct activities in this state, whether such name is its true name or an assumed entity name, AS SUCH NAME MAY BE CHANGED PURSUANT TO SECTION 7-90-601.6; or

(b) As to a foreign entity that is not authorized to transact business or conduct activities in this state but that has registered its true name pursuant to section 7-90-604, that true name.

(32.5) "Limited liability limited partnership" means a ~~limited partnership that is registered as a~~ DOMESTIC limited liability limited partnership ~~under section 7-60-144 or 7-64-1002~~ OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP.

(32.7) "Limited liability partnership" means a ~~partnership that is registered as a~~ DOMESTIC limited liability partnership ~~under section 7-60-144 or 7-64-1002~~ OR A FOREIGN LIMITED LIABILITY PARTNERSHIP.

(37) "Merging entity" means any entity that merges into a surviving entity pursuant to section 7-90-203 OR PURSUANT TO THE ORGANIC STATUTES OTHER THAN THIS ARTICLE.

(40.7) "On file in the records of the secretary of state", "on file in the office of the secretary of state", and "on file with the secretary of state", with reference to a document, means that the document has been filed by the secretary of state AND HAS BECOME EFFECTIVE PURSUANT TO SECTION 7-90-304 OR OTHERWISE PURSUANT TO LAW and that, subsequent to ~~such filing~~ THE COMMENCEMENT OF THE DOCUMENT'S EFFECTIVENESS, no action has been taken, or omission has occurred, that has caused the document to become ineffective or to be superseded in effect.

(49) "Person" means an individual, AN ESTATE, A TRUST, an entity, or a state or other jurisdiction.

(58) "Reporting entity" means a business development corporation, a cooperative housing corporation, a domestic cooperative, a domestic corporation, a domestic limited liability company, a domestic limited partnership association, a domestic nonprofit corporation, a domestic limited liability partnership, a domestic limited liability limited partnership, a corporate entity referred to in section 7-137-102, and any foreign entity authorized to transact business or conduct activities in this state. An entity ceases to be a reporting entity upon the dissolution of the entity, THE ENTITY BECOMING DELINQUENT, the ~~revocation~~ or relinquishment of the entity's authority to transact business or conduct activities IN THIS STATE, or, if the entity is a limited liability partnership or a limited liability limited partnership, its withdrawal of its statement of registration. A DISSOLVED ENTITY THAT WAS A REPORTING ENTITY BEFORE ITS DISSOLUTION AGAIN BECOMES A REPORTING ENTITY UPON ITS REINSTATEMENT UNDER PART 10 OF THIS ARTICLE, AND A DELINQUENT ENTITY AGAIN BECOMES A REPORTING ENTITY UPON THE CURING OF ITS DELINQUENCY PURSUANT TO SECTION 7-90-904.

SECTION 5. 7-90-201 (1) and (5.5), Colorado Revised Statutes, are amended to read:

7-90-201. Conversion of an entity into another entity. (1) A domestic entity of one form may be converted pursuant to this section into any other form of domestic entity.

(5.5) If the resulting entity will be an entity for which a constituent filed document is to be filed in the records of the secretary of state, the converting entity shall deliver to the secretary of state, for filing pursuant to part 3 of this article, A COMBINED STATEMENT OF CONVERSION AND the constituent filed document that complies with the requirements of the organic statutes. IN ADDITION TO COMPLYING WITH THE REQUIREMENTS OF THE ORGANIC STATUTES FOR THE CONSTITUENT FILED DOCUMENT, A COMBINED STATEMENT OF CONVERSION AND CONSTITUENT FILED DOCUMENT SHALL STATE:

(a) THE ENTITY NAME OF THE CONVERTING ENTITY, THE PRINCIPAL OFFICE ADDRESS OF ITS PRINCIPAL OFFICE, THE JURISDICTION UNDER THE LAW OF WHICH IT IS FORMED, AND ITS FORM OF ENTITY;

(b) THE ENTITY NAME OF THE RESULTING ENTITY; AND

(c) THAT THE CONVERTING ENTITY HAS BEEN CONVERTED INTO THE RESULTING ENTITY.

SECTION 6. 7-90-203 (5) (c), Colorado Revised Statutes, is amended to read:

7-90-203. Merger of entities. (5) After the plan of merger is approved in accordance with this section, if any merging entity is an entity for which a constituent filed document has been filed by the secretary of state, the surviving entity shall deliver to the secretary of state, for filing pursuant to part 3 of this article, a statement of merger that shall state the following:

(c) A statement that the merging entities are merged into the surviving entity; ~~pursuant to this section;~~ and

SECTION 7. 7-90-204 (1) (a), Colorado Revised Statutes, is amended to read:

7-90-204. Effect of merger. (1) When a merger is effective:

(a) EVERY MERGING ENTITY MERGES INTO THE SURVIVING ENTITY AND THE SEPARATE EXISTENCE OF EVERY MERGING ENTITY CEASES. All of the rights, privileges, and powers of each of the merging entities, all real, personal, and mixed property, and all obligations due to each of the merging entities, as well as all other things and causes of action of each of the merging entities, shall vest as a matter of law in the surviving entity and shall thereafter be the rights, privileges, powers, and property of, and obligations due to, the surviving entity. Title to any property vested in any of the merging entities shall not revert or be in any way impaired by reason of the merger; except that all rights of creditors in and all liens upon any property of any of the merging entities shall be preserved unimpaired in the same property, however held. All obligations of the merging entities shall attach as a matter of law to the surviving entity and may be fully enforced against the surviving entity. A merger does not constitute a conveyance, transfer, or assignment. Nothing in this section affects the validity of contract provisions or of reversions or other forms of title limitations that attach conditions or consequences specifically to mergers.

SECTION 8. 7-90-301 (4), Colorado Revised Statutes, is amended to read:

7-90-301. Filing requirements. (4) The document shall be ~~typewritten or machine printed on paper or shall be~~ on or in such other medium as may be acceptable to the secretary of state and from which the secretary of state may create a document that contains all of the ~~contents of~~ INFORMATION STATED IN THE document and that is typewritten or printed on paper. The secretary of state may require that the document ~~if not on paper,~~ be delivered by any one or more means or on or in any one or more media as may be acceptable to the secretary of state. The secretary of state is not required to file a document that is not legible ~~or that is not either on paper or otherwise~~ delivered by a means and in a medium that complies with the requirements then established by the secretary of state for the delivery and filing of documents. ~~The~~ IF THE SECRETARY OF STATE PERMITS A DOCUMENT TO BE DELIVERED ON PAPER, THE DOCUMENT SHALL BE TYPEWRITTEN OR MACHINE PRINTED, AND THE secretary of state may impose reasonable requirements upon the dimensions, LEGIBILITY, quality, and color of such paper and typewriting or printing and upon the format and other attributes of any document that is delivered electronically. The secretary of state shall ensure, at the earliest practicable time, that delivery of a document subject to this part 3 for filing may be accomplished electronically, without the necessity for the delivery of a physical original document or the image thereof, if all required information is delivered and is readily retrievable from the data delivered. IF THE DELIVERY OF A DOCUMENT SUBJECT TO THIS PART 3 FOR FILING IS REQUIRED TO BE ACCOMPLISHED ELECTRONICALLY, SUCH DOCUMENT SHALL NOT BE ACCOMPANIED BY ANY PHYSICAL DOCUMENT UNLESS THE SECRETARY OF STATE PERMITS SUCH ACCOMPANIMENT.

SECTION 9. 7-90-305 (2), Colorado Revised Statutes, is amended to read:

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

(a) Shall state the entity name of the entity to which the document relates or, if the entity to which the document relates does not have an entity name, shall state the true name of the entity, or, in the case of a trademark, shall state the trademark and the true name of the registrant as defined in section 7-70-101 (3);

(b) Shall identify the filed document to the satisfaction of the secretary of state;

(c) Shall state each incorrect statement that is corrected by the statement of correction; and

(d) Shall correct each such incorrect statement; AND

(e) SHALL, IF IT REVOKES A FILED DOCUMENT PURSUANT TO SECTION 7-90-304 (3), STATE THAT THE FILED DOCUMENT IS REVOKED.

SECTION 10. 7-90-306 (3), Colorado Revised Statutes, is amended to read:

7-90-306. Filing duty of secretary of state - manner of filing.

(3) If THE SECRETARY OF STATE PERMITS A DOCUMENT TO BE DELIVERED IN A PHYSICAL MEDIUM, AND IF the secretary of state refuses to file a THE document, the secretary of state shall return it to any individual who has been identified, pursuant to section 7-90-301 (8), as having caused the document to be delivered for filing, at the address provided for that individual, together with a written notice providing a brief explanation of the reason for the refusal, within ten days after the document was delivered to the secretary of state; except that no RETURN OR notice shall be required with respect to an annual report that the secretary of state has refused to file.

SECTION 11. 7-90-501 (4), (5), (5.5), and (7), Colorado Revised Statutes, are amended to read:

7-90-501. Annual reports. (4) (a) The annual report shall be made ~~on a form~~ IN A MANNER prescribed by the secretary of state. ~~who, except as provided in paragraph (f) of this subsection (4), shall deliver an annual report form to each reporting entity.~~

(b) Repealed.

(c) ~~The form for the first annual report for a reporting entity shall be delivered by TO the secretary of state, to the reporting entity, at its registered agent address, in the calendar year next succeeding the calendar year;~~ FOR FILING PURSUANT TO PART 3 OF THIS ARTICLE, NO LATER THAN THE LAST DAY OF THE SECOND CALENDAR MONTH FOLLOWING THE FIRST

ANNIVERSARY MONTH in which the reporting entity's constituent filed document or statement of foreign entity authority, as the case may be, ~~becomes~~ BECAME effective or, in the case of an A REPORTING entity that has been reinstated ~~in the calendar year next succeeding the calendar year in which the reinstatement occurred~~ OR THAT HAS CURED ITS DELINQUENCY, NO LATER THAN THE LAST DAY OF THE SECOND CALENDAR MONTH FOLLOWING THE FIRST ANNIVERSARY OF THE CALENDAR MONTH IN WHICH THE REINSTATEMENT OR CURING OF DELINQUENCY OCCURRED. Thereafter, the annual report ~~form~~ shall be delivered to THE SECRETARY OF STATE BY each reporting entity annually. ~~except as provided in paragraph (f) of this subsection (4):~~

(d) Information in the annual report shall be current as of the date the annual report is delivered to the secretary of state, for filing pursuant to part 3 of this article, on behalf of the reporting entity.

(e) (Deleted by amendment, L. 2002, p. 1843, § 98, effective July 1, 2002; p. 1707, § 96, effective October 1, 2002.)

~~(f) The secretary of state shall not be required to deliver to a reporting entity an annual report form for any reporting period for which an annual report has previously been filed for the reporting entity pursuant to subsection (5.5) of this section.~~

~~(5) The annual report shall be delivered to the secretary of state, for filing pursuant to part 3 of this article, no later than the last day of the second calendar month following the calendar month in which the annual report form that is required to be delivered to the reporting entity pursuant to subsection (4) of this section is so delivered.~~

~~(5.5) Prior to the delivery of the annual report form that is required to be delivered to the reporting entity pursuant to subsection (4) of this section by the secretary of state for any reporting period, an annual report for such reporting period may be delivered to the secretary of state for filing in the form and manner and within the time prescribed by the secretary of state. NO LATER THAN SIXTY DAYS PRIOR TO THE DUE DATE OF A REPORTING ENTITY'S ANNUAL REPORT AS ESTABLISHED PURSUANT TO PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION, THE SECRETARY OF STATE SHALL PROVIDE NOTICE TO THE REPORTING ENTITY OF SUCH DUE DATE AT ITS REGISTERED AGENT ADDRESS. THE FAILURE OF THE SECRETARY OF STATE TO PROVIDE SUCH NOTICE SHALL NOT AFFECT THE REQUIREMENT THAT THE REPORTING~~

ENTITY DELIVER ITS ANNUAL REPORT PURSUANT TO PARAGRAPH (c) OF SUBSECTION (4) OF THIS SECTION.

(7) Each reporting entity that fails or refuses to deliver to the secretary of state an annual report for filing within the time prescribed by subsection ~~(5) or (5.5)~~ (4) of this section and pay the prescribed fee shall be subject to a ~~late filing~~ PROCESSING fee, which shall be determined and collected pursuant to section 24-21-104 (3), C.R.S.; except that no such fee shall be imposed if the ~~form~~ NOTICE required to be furnished by the secretary of state pursuant to subsection ~~(4)~~ (5.5) of this section is not timely delivered to the reporting entity by the secretary of state and such nondelivery causes the failure to file within the time prescribed in subsection ~~(5)~~ (4) of this section.

SECTION 12. 7-90-601.5, Colorado Revised Statutes, is amended to read:

7-90-601.5. Domestic entity name and trade name of dissolved domestic entity. The domestic entity name and each trade name of a domestic entity that has a constituent filed document shall include the word "dissolved" followed by the year of its dissolution, from the date of its ~~voluntary dissolution. or dissolution by court order or from the four hundredth day after the date it is dissolved by action of the secretary of state under this title or by operation of law under this title.~~ If the domestic entity name determined pursuant to the preceding sentence would not be distinguishable on the records of the secretary of state as contemplated in section 7-90-601, then the domestic entity name shall include the month, day, and year of its dissolution rather than only the year ~~thereof~~ OF DISSOLUTION.

SECTION 13. Part 6 of article 90 of title 7, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

7-90-601.6. Entity name and trade name of delinquent entity. THE ENTITY NAME AND EACH TRADE NAME OF A DELINQUENT ENTITY SHALL INCLUDE THE WORD "DELINQUENT", FOLLOWED BY THE YEAR IN WHICH IT BECAME DELINQUENT, AFTER THE FOUR HUNDREDTH DAY AFTER THE EFFECTIVE DATE OF ITS DELINQUENCY UNDER SECTION 7-90-902 (2). IF THE ENTITY NAME DETERMINED PURSUANT TO THE PRECEDING SENTENCE WOULD NOT BE DISTINGUISHABLE ON THE RECORDS OF THE SECRETARY OF STATE AS

CONTEMPLATED IN SECTION 7-90-601, THEN THE ENTITY NAME SHALL INCLUDE THE MONTH, DAY, AND YEAR OF THE EFFECTIVE DATE OF THE ENTITY'S DELINQUENCY UNDER SECTION 7-90-902 (2) RATHER THAN ONLY THE YEAR OF DELINQUENCY.

SECTION 14. 7-90-601.7, Colorado Revised Statutes, is amended to read:

7-90-601.7. Foreign entity name and trade name of withdrawn foreign entity. The foreign entity name and each trade name of a foreign entity for which a statement of foreign entity authority is on file in the records of the secretary of state, but for which such authority has been relinquished, ~~or revoked~~, shall include the words "Colorado authority ~~terminated~~ RELINQUISHED" followed by the year of such relinquishment. ~~or revocation, from the date of such relinquishment or from the four hundredth day after the date the authority was revoked by action of the secretary of state under this title.~~ If the foreign entity name determined pursuant to the preceding sentence would not be distinguishable on the records of the secretary of state as contemplated in section 7-90-601, then the foreign entity name shall include the month, day, and year of the relinquishment ~~or revocation~~ rather than only the year ~~thereof~~ OF RELINQUISHMENT.

SECTION 15. 7-90-602 (2), Colorado Revised Statutes, is amended to read:

7-90-602. Reserved entity name. (2) The holder of a reserved name may transfer the reservation to any other person by delivering to the secretary of state, for filing pursuant to part 3 of this article, a statement of ~~the transfer OF RESERVED NAME that has been executed by the holder and~~ states the reserved name, the name of the holder, and the name and mailing address of the transferee.

SECTION 16. The introductory portion to 7-90-702 (1), Colorado Revised Statutes, is amended to read:

7-90-702. Change or resignation of registered agent. (1) An entity that maintains a registered agent pursuant to this part 7 may change its registered agent, the registered agent address, or the registered agent name of its registered agent only by stating a different registered agent, different registered agent address, or DIFFERENT registered agent name for

its registered agent, as the case may be, in one of the following:

SECTION 17. 7-90-706, Colorado Revised Statutes, is amended to read:

7-90-706. Application to dissolved or delinquent entities. This part 7, including, without limitation, section 7-90-704 (2), continues to apply to every domestic entity for which a constituent document is on file in the records of the secretary of state AND TO EVERY FOREIGN ENTITY AUTHORIZED TO TRANSACT BUSINESS OR CONDUCT ACTIVITIES IN THIS STATE THAT HAS NOT RELINQUISHED SUCH AUTHORITY, after the dissolution OR DELINQUENCY of the ~~domestic~~ entity for any reason.

SECTION 18. 7-90-802 (1), Colorado Revised Statutes, is amended to read:

7-90-802. Consequences of transacting business or conducting activities without authority. (1) (a) No foreign entity transacting business or conducting activities in this state without authority, nor anyone on its behalf, shall be permitted to maintain a proceeding in any court in this state for the collection of its debts until a statement of foreign entity authority for the foreign entity is filed in the records of the secretary of state.

(b) A COURT MAY STAY A PROCEEDING COMMENCED BY A FOREIGN ENTITY UNTIL IT DETERMINES WHETHER THE FOREIGN ENTITY SHOULD HAVE A STATEMENT OF FOREIGN ENTITY AUTHORITY ON FILE WITH THE SECRETARY OF STATE. IF THE COURT DETERMINES THAT THE FOREIGN ENTITY SHOULD HAVE A STATEMENT OF FOREIGN ENTITY AUTHORITY ON FILE WITH THE SECRETARY OF STATE, THE COURT MAY FURTHER STAY THE PROCEEDING UNTIL THERE IS A STATEMENT OF FOREIGN ENTITY AUTHORITY ON FILE WITH THE SECRETARY OF STATE WITH RESPECT TO THE FOREIGN ENTITY. IF A FOREIGN ENTITY HAS A STATEMENT OF FOREIGN ENTITY AUTHORITY ON FILE WITH THE SECRETARY OF STATE, NO PROCEEDING IN ANY COURT IN THIS STATE TO WHICH THE FOREIGN ENTITY IS A PARTY SHALL, AFTER THE EFFECTIVE DATE OF SUCH STATEMENT OF FOREIGN ENTITY AUTHORITY, BE DISMISSED BY REASON OF A STATEMENT OF FOREIGN ENTITY AUTHORITY NOT BEING ON FILE WITH THE SECRETARY OF STATE WITH RESPECT TO THE FOREIGN ENTITY.

SECTION 19. 7-90-805 (1), Colorado Revised Statutes, is amended

to read:

7-90-805. Effect of statement of foreign entity authority.

(1) ~~Filing by the secretary of state of a statement of foreign entity authority authorizes the foreign entity to transact business or conduct activities in this state, subject to the right of the state to revoke such authority as provided in this part 8.~~ A FOREIGN ENTITY IS AUTHORIZED TO TRANSACT BUSINESS OR CONDUCT ACTIVITIES IN THIS STATE FROM THE EFFECTIVE DATE OF ITS STATEMENT OF FOREIGN ENTITY AUTHORITY UNTIL THE EFFECTIVE DATE OF ITS STATEMENT OF FOREIGN ENTITY WITHDRAWAL.

SECTION 20. Article 90 of title 7, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 9

DELINQUENCY - DISSOLUTION UPON EXPIRATION OF TERM

SUBPART 1
DELINQUENCY

7-90-901. Grounds for delinquency. (1) A DOMESTIC ENTITY THAT IS A REPORTING ENTITY MAY BE DECLARED DELINQUENT UNDER SECTION 7-90-902 IF:

(a) THE DOMESTIC ENTITY DOES NOT PAY ANY FEE OR PENALTY IMPOSED BY THIS TITLE WHEN IT IS DUE;

(b) THE DOMESTIC ENTITY DOES NOT COMPLY WITH PART 5 OF THIS ARTICLE, PROVIDING FOR REPORTS FROM REPORTING ENTITIES; OR

(c) THE DOMESTIC ENTITY DOES NOT COMPLY WITH PART 7 OF THIS ARTICLE, PROVIDING FOR REGISTERED AGENTS AND SERVICE OF PROCESS.

(2) A FOREIGN ENTITY THAT IS A REPORTING ENTITY MAY BE DECLARED DELINQUENT UNDER SECTION 7-90-902 IF:

(a) THE FOREIGN ENTITY DOES NOT PAY ANY FEE OR PENALTY IMPOSED BY THIS TITLE WHEN IT IS DUE;

(b) THE FOREIGN ENTITY DOES NOT COMPLY WITH PART 5 OF THIS ARTICLE, PROVIDING FOR REPORTS FROM REPORTING ENTITIES;

(c) THE FOREIGN ENTITY DOES NOT COMPLY WITH PART 7 OF THIS ARTICLE, PROVIDING FOR REGISTERED AGENTS AND SERVICE OF PROCESS;

(d) THE FOREIGN ENTITY DOES NOT DELIVER FOR FILING AN APPROPRIATE STATEMENT OF CHANGE WHEN NECESSARY TO MAKE ITS STATEMENT OF FOREIGN ENTITY AUTHORITY TRUE IN ALL RESPECTS; OR

(e) THE SECRETARY OF STATE RECEIVES A DULY AUTHENTICATED CERTIFICATE FROM THE SECRETARY OF STATE OR OTHER OFFICIAL HAVING CUSTODY OF ENTITY RECORDS IN THE JURISDICTION UNDER THE LAW OF WHICH THE FOREIGN ENTITY WAS FORMED TO THE EFFECT THAT IT NO LONGER EXISTS AS THE RESULT OF A DISSOLUTION OR MERGER OR OTHERWISE.

7-90-902. Declaration of delinquency. (1) IF THE SECRETARY OF STATE DETERMINES THAT ONE OR MORE GROUNDS EXIST UNDER SECTION 7-90-901 FOR DECLARING AN ENTITY DELINQUENT, THE SECRETARY OF STATE SHALL DELIVER WRITTEN NOTICE STATING SUCH GROUNDS TO THE ENTITY AT THE ENTITY'S PRINCIPAL OFFICE ADDRESS AND TO THE REGISTERED AGENT ADDRESS OF THE ENTITY'S MOST RECENT REGISTERED AGENT. THE NOTICE SHALL STATE THAT, IF THE ENTITY DOES NOT CORRECT EACH GROUND FOR DECLARING IT DELINQUENT OR DEMONSTRATE TO THE REASONABLE SATISFACTION OF THE SECRETARY OF STATE THAT SUCH GROUND DOES NOT EXIST WITHIN SIXTY DAYS AFTER DELIVERY OF THE NOTICE, THE ENTITY SHALL BE DELINQUENT FOLLOWING THE EXPIRATION OF SUCH SIXTY DAYS.

(2) IF THE ENTITY DOES NOT CORRECT EACH GROUND IDENTIFIED IN THE NOTICE OF THE SECRETARY OF STATE FOR DECLARING IT DELINQUENT OR DEMONSTRATE TO THE REASONABLE SATISFACTION OF THE SECRETARY OF STATE THAT SUCH GROUND DOES NOT EXIST WITHIN SIXTY DAYS AFTER DELIVERY OF THE NOTICE, THE ENTITY SHALL BE DELINQUENT FOLLOWING THE EXPIRATION OF SUCH SIXTY DAYS. THEREAFTER, THE SECRETARY OF STATE SHALL DELIVER NOTICE OF THE FACT OF DELINQUENCY TO THE ENTITY AT THE ENTITY'S PRINCIPAL OFFICE ADDRESS AND TO THE REGISTERED AGENT ADDRESS OF THE ENTITY'S MOST RECENT REGISTERED AGENT; EXCEPT THAT FAILURE TO DELIVER SUCH NOTICE SHALL NOT AFFECT THE FACT OF DELINQUENCY, AND NO PERSON SHALL HAVE A CAUSE OF ACTION IF THE NOTICE IS NOT DELIVERED.

7-90-903. Effect of delinquency. (1) A DELINQUENT ENTITY MAY NOT MAINTAIN A PROCEEDING IN ANY COURT IN THIS STATE FOR THE

COLLECTION OF ITS DEBTS UNTIL IT HAS CURED ITS DELINQUENCY PURSUANT TO SECTION 7-90-904 (1), (2), OR (3).

(2) A COURT MAY STAY A PROCEEDING COMMENCED BY AN ENTITY UNTIL IT DETERMINES WHETHER THE ENTITY IS DELINQUENT. IF THE COURT DETERMINES THAT THE ENTITY IS DELINQUENT, IT MAY FURTHER STAY THE PROCEEDING UNTIL THE ENTITY CURES ITS DELINQUENCY PURSUANT TO SECTION 7-90-904. IF A DELINQUENT ENTITY CURES ITS DELINQUENCY IN ACCORDANCE WITH SECTION 7-90-904, NO PROCEEDING IN ANY COURT IN THIS STATE TO WHICH SUCH ENTITY IS A PARTY SHALL THEREAFTER BE DISMISSED BY REASON OF THAT INSTANCE OF DELINQUENCY.

(3) THE DELINQUENCY OF AN ENTITY DOES NOT TERMINATE THE AUTHORITY OF THE REGISTERED AGENT OF THE ENTITY.

(4) THE EXISTENCE OF A DOMESTIC ENTITY CONTINUES NOTWITHSTANDING ITS DELINQUENCY.

(5) A DELINQUENT DOMESTIC ENTITY MAY BE DISSOLVED AT ANY TIME AND BY ANY MANNER AS MAY BE PROVIDED OR PERMITTED BY ITS CONSTITUENT DOCUMENTS AND ORGANIC STATUTES AND, IF IT HAS FAILED TO CURE ITS DELINQUENCY FOR THREE YEARS OR MORE, THE DELINQUENT DOMESTIC ENTITY MAY BE DISSOLVED PURSUANT TO SECTION 7-90-908.

7-90-904. Cure of delinquency. (1) A DELINQUENT ENTITY MAY CURE ITS DELINQUENCY BY:

(a) CORRECTING EACH GROUND CITED BY THE SECRETARY OF STATE IN THE NOTICE DELIVERED TO THE ENTITY PURSUANT TO SECTION 7-90-902 (1); AND

(b) PAYING ANY FEE OR PENALTY DETERMINED BY THE SECRETARY OF STATE.

(2) IN LIEU OF CURING ITS DELINQUENCY PURSUANT TO SUBSECTION (1) OF THIS SECTION, A DELINQUENT FOREIGN ENTITY MAY CURE ITS DELINQUENCY BY CAUSING TO BE DELIVERED TO THE SECRETARY OF STATE, FOR FILING PURSUANT TO PART 3 OF THIS ARTICLE, A STATEMENT OF FOREIGN ENTITY WITHDRAWAL.

(3) A DELINQUENT DOMESTIC ENTITY MAY CURE ITS DELINQUENCY

BY DISSOLVING.

(4) (a) EXCEPT AS PROVIDED IN PARAGRAPHS (b) AND (c) OF THIS SUBSECTION (4), THE ENTITY NAME OF AN ENTITY FOLLOWING THE CURING OF ITS DELINQUENCY SHALL BE THE SAME AS THE ENTITY NAME, DETERMINED WITHOUT REGARD TO SECTION 7-90-601.6, OF THE ENTITY AT THE TIME THE ENTITY CURES ITS DELINQUENCY IF SUCH ENTITY NAME COMPLIES WITH SECTION 7-90-601 AT THE TIME THE ENTITY CURES ITS DELINQUENCY. IF SUCH ENTITY NAME WOULD NOT BE DISTINGUISHABLE ON THE RECORDS OF THE SECRETARY OF STATE AS CONTEMPLATED IN SECTION 7-90-601, THE ENTITY NAME OF THE ENTITY FOLLOWING CURING OF ITS DELINQUENCY SHALL BE SUCH ENTITY NAME FOLLOWED BY THE WORDS "DELINQUENCY CURED" AND THE YEAR THEREOF. FOLLOWING CURING OF ITS DELINQUENCY, THE ENTITY MAY CHANGE ITS ENTITY NAME IN ACCORDANCE WITH THE ORGANIC STATUTES AND THE ENTITY'S CONSTITUENT OPERATING DOCUMENT.

(b) IN THE CASE OF A FOREIGN ENTITY THAT CURES ITS DELINQUENCY PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE FOREIGN ENTITY NAME OF THE FOREIGN ENTITY SHALL BE ITS FOREIGN ENTITY NAME AT THE TIME IT CURES ITS DELINQUENCY, DETERMINED WITHOUT REGARD TO SECTION 7-90-601.6, AS CHANGED BY SECTION 7-90-601.7.

(c) IN THE CASE OF A DOMESTIC ENTITY THAT CURES ITS DELINQUENCY PURSUANT TO SUBSECTION (3) OF THIS SECTION, THE DOMESTIC ENTITY NAME OF THE DOMESTIC ENTITY SHALL BE ITS DOMESTIC ENTITY NAME AT THE TIME IT CURES ITS DELINQUENCY, DETERMINED WITHOUT REGARD TO SECTION 7-90-601.6, AS CHANGED BY SECTION 7-90-601.5.

7-90-905. Appeal from declaration of delinquency. (1) AN ENTITY MAY APPEAL A DECLARATION UNDER SECTION 7-90-902 (2) THAT IT IS DELINQUENT TO THE DISTRICT COURT FOR THE COUNTY IN THIS STATE IN WHICH THE STREET ADDRESS OF THE ENTITY'S PRINCIPAL OFFICE IS LOCATED, OR, IF THE ENTITY HAS NO PRINCIPAL OFFICE IN THIS STATE, TO THE DISTRICT COURT FOR THE COUNTY IN WHICH THE STREET ADDRESS OF ITS REGISTERED AGENT IS LOCATED OR, IF THE ENTITY HAS NO REGISTERED AGENT, TO THE DISTRICT COURT FOR THE CITY AND COUNTY OF DENVER WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF ITS DELINQUENCY. THE ENTITY SHALL COMMENCE SUCH APPEAL BY PETITIONING THE COURT TO SET ASIDE THE DECLARATION OF ITS DELINQUENCY OR TO DETERMINE THAT THE ENTITY HAS CURED ITS DELINQUENCY AND ATTACHING TO THE PETITION COPIES OF SUCH

DOCUMENTS IN THE SECRETARY OF STATE'S RECORDS AS MAY BE RELEVANT.

(2) THE COURT MAY SUMMARILY ORDER THE SECRETARY OF STATE TO TAKE WHATEVER ACTION THE COURT CONSIDERS APPROPRIATE OR MAY TAKE ANY OTHER ACTION THE COURT CONSIDERS APPROPRIATE.

(3) THE COURT'S ORDER OR DECISION MAY BE APPEALED AS IN OTHER CIVIL PROCEEDINGS.

7-90-906. Limited liability partnerships and limited liability limited partnerships. EACH LIMITED LIABILITY PARTNERSHIP AND LIMITED LIABILITY LIMITED PARTNERSHIP TO WHICH SECTION 7-60-152 OR SECTION 7-64-1008 WAS APPLICABLE ON SEPTEMBER 30, 2005, SHALL BE DEEMED DELINQUENT PURSUANT TO SECTION 7-90-902 (2), EFFECTIVE OCTOBER 1, 2005.

SUBPART 2
DISSOLUTION UPON EXPIRATION OF TERM OR OF
DELINQUENT ENTITY

7-90-907. Dissolution upon expiration of term. (1) IF THE SECRETARY OF STATE DETERMINES FROM THE RECORDS OF THE SECRETARY OF STATE THAT THE PERIOD OF DURATION OF A DOMESTIC ENTITY WILL EXPIRE, THE SECRETARY OF STATE SHALL DELIVER WRITTEN NOTICE OF THE PENDENCY OF THE EXPIRATION TO THE ENTITY'S PRINCIPAL OFFICE ADDRESS BY EITHER THE NINETIETH DAY BEFORE SUCH EXPIRATION OR THE FIFTH DAY AFTER THE SECRETARY OF STATE MAKES THE DETERMINATION, WHICHEVER IS LATER. THE SECRETARY OF STATE NEED NOT GIVE SUCH NOTICE IF THE SECRETARY OF STATE DOES NOT MAKE THE DETERMINATION SOONER THAN TEN DAYS BEFORE THE EXPIRATION. THE FAILURE OF THE SECRETARY OF STATE TO DELIVER A NOTICE CONTEMPLATED BY THIS SUBSECTION (1) SHALL NOT AFFECT THE AUTOMATIC DISSOLUTION OF THE ENTITY PURSUANT TO SUBSECTION (2) OF THIS SECTION. NO PERSON SHALL HAVE A CAUSE OF ACTION IF THE SECRETARY OF STATE DOES NOT MAKE THE DETERMINATION OR GIVE THE NOTICE CONTEMPLATED IN THIS SUBSECTION (1).

(2) A DOMESTIC ENTITY SHALL AUTOMATICALLY DISSOLVE UPON THE EXPIRATION OF THE PERIOD OF DURATION, IF ANY, STATED IN ITS CONSTITUENT FILED DOCUMENT.

7-90-908. Dissolution of delinquent entity. (1) IF A DELINQUENT

DOMESTIC ENTITY HAS FAILED TO CURE ITS DELINQUENCY FOR THREE YEARS OR MORE, ANY MANAGER OF THE DOMESTIC ENTITY MAY CAUSE IT TO DISSOLVE BY DELIVERING TO THE SECRETARY OF STATE, FOR FILING PURSUANT TO PART 3 OF THIS ARTICLE, A STATEMENT OF DISSOLUTION OF DELINQUENT ENTITY STATING:

(a) THE DOMESTIC ENTITY NAME OF THE DELINQUENT ENTITY;

(b) THE PRINCIPAL OFFICE ADDRESS OF THE DELINQUENT ENTITY'S PRINCIPAL OFFICE;

(c) THAT THE ENTITY IS DELINQUENT AND HAS FAILED TO CURE ITS DELINQUENCY FOR THREE YEARS OR MORE; AND

(d) THAT, AT LEAST THIRTY DAYS PRIOR TO THE DELIVERY OF THE STATEMENT OF DISSOLUTION OF DELINQUENT ENTITY TO THE SECRETARY OF STATE, THE DELINQUENT ENTITY HAS DELIVERED WRITTEN NOTICE OF THE DELINQUENT ENTITY'S PLAN TO FILE A STATEMENT OF DISSOLUTION OF DELINQUENT ENTITY TO ALL OWNERS AND OTHER PERSONS HAVING AUTHORITY UNDER THE ORGANIC STATUTES AND UNDER ITS CONSTITUENT OPERATING DOCUMENT TO BRING ABOUT OR PREVENT DISSOLUTION OF THE ENTITY AND THE DELINQUENT ENTITY HAS NOT RECEIVED, AS OF THE DATE THE STATEMENT OF DISSOLUTION OF DELINQUENT ENTITY IS DELIVERED FOR FILING TO THE SECRETARY OF STATE, WRITTEN OBJECTIONS TO DISSOLUTION FROM SUCH NUMBER OF SUCH OWNERS AND OTHER PERSONS AS WOULD BE SUFFICIENT TO PREVENT VOLUNTARY DISSOLUTION OF THE DELINQUENT ENTITY UNDER THE ORGANIC STATUTES AND ITS CONSTITUENT OPERATING DOCUMENT.

(2) A DELINQUENT DOMESTIC ENTITY IS DISSOLVED UPON THE EFFECTIVE DATE OF ITS STATEMENT OF DISSOLUTION OF DELINQUENT ENTITY.

7-90-909. Notice of dissolution upon expiration of term. UPON THE DISSOLUTION, PURSUANT TO SECTION 7-90-907 (2), OF A DOMESTIC ENTITY TO WHICH NOTICE WAS DELIVERED PURSUANT TO SECTION 7-90-907 (1), THE SECRETARY OF STATE SHALL DELIVER WRITTEN NOTICE OF THE DISSOLUTION, STATING THE EFFECTIVE DATE OF DISSOLUTION, TO THE PRINCIPAL OFFICE ADDRESS OF THE PRINCIPAL OFFICE OF THE ENTITY.

7-90-910. Effect of dissolution under section 7-90-907 or 7-90-908. A DOMESTIC ENTITY THAT IS DISSOLVED PURSUANT TO SECTION

7-90-907 OR 7-90-908 CONTINUES ITS EXISTENCE BUT MAY NOT CARRY ON ANY BUSINESS EXCEPT AS IS APPROPRIATE TO WIND UP AND LIQUIDATE ITS BUSINESS AND AFFAIRS, AND TO GIVE NOTICE TO CLAIMANTS, IN ACCORDANCE WITH THE ORGANIC STATUTES. A NONPROFIT CORPORATION THAT IS SO DISSOLVED, THAT CONTINUES TO OPERATE FOR NONPROFIT PURPOSES, AND THAT DOES NOT WIND UP ITS BUSINESS AND AFFAIRS SHALL BE DEEMED AN UNINCORPORATED ORGANIZATION AS PROVIDED IN SECTION 7-30-101.1 THAT QUALIFIES AS A NONPROFIT ASSOCIATION FOR PURPOSES OF THE "UNIFORM UNINCORPORATED NONPROFIT ASSOCIATION ACT", ARTICLE 30 OF THIS TITLE, UNLESS IT REINSTATES ITSELF AS PROVIDED IN PART 10 OF THIS ARTICLE.

SECTION 21. 7-90-1002 (1) (b) and (2), Colorado Revised Statutes, are amended, and the said 7-90-1002 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

7-90-1002. Vote or consent required - effect of opposition.

(1) An entity eligible for reinstatement under section 7-90-1001 may be reinstated upon compliance with the following conditions:

(b) Except as otherwise provided in the constituent operating document, the owners and other persons having authority under the entity's organic statutes and under its constituent operating document to bring about OR PREVENT dissolution of the entity shall not have, before or at the time of the vote or consent required by paragraph (a) of this subsection (1), voted against reinstatement or ~~indicated~~ DELIVERED to the entity ~~in writing their opposition~~ THEIR WRITTEN OBJECTION to reinstatement;

(2) To the extent that an entity's constituent operating document or the organic statutes provide for the voting rights of owners or other persons, for the calling of meetings, for notices of meetings, for consents and actions of owners and other persons without a meeting, for establishing a record date for meetings, or for other matters concerning the voting or consent of owners and other persons, such provisions shall govern the vote or consent required by paragraph (a) of subsection (1) of this section with respect to the entity and the vote or ~~opposition~~ OBJECTION of owners and other persons provided for in paragraph (b) of subsection (1) of this section with respect to the entity.

(3) THIS SECTION SHALL NOT APPLY TO A DOMESTIC ENTITY THAT IS DESCRIBED IN THIS SUBSECTION (3) AND THAT WAS ADMINISTRATIVELY

DISSOLVED FOR ANY REASON OTHER THAN THE EXPIRATION OF THE PERIOD OF DURATION STATED IN ITS CONSTITUENT FILED DOCUMENT UNTIL THE LATER OF JANUARY 1, 2006, OR THE FOLLOWING DATE, AS APPLICABLE:

(a) IN THE CASE OF A CORPORATION THAT WAS ADMINISTRATIVELY DISSOLVED AFTER JULY 1, 2002, THE DATE THAT IS THREE YEARS AFTER THE DATE IT WAS ADMINISTRATIVELY DISSOLVED;

(b) IN THE CASE OF A NONPROFIT CORPORATION THAT WAS ADMINISTRATIVELY DISSOLVED AFTER JULY 1, 1999, THE DATE THAT IS SIX YEARS AFTER THE DATE IT WAS ADMINISTRATIVELY DISSOLVED;

(c) IN THE CASE OF A LIMITED LIABILITY COMPANY THAT WAS ADMINISTRATIVELY DISSOLVED AFTER JULY 1, 2001, THE DATE THAT IS FOUR YEARS AFTER THE DATE IT WAS ADMINISTRATIVELY DISSOLVED.

SECTION 22. 7-90-1003 (1) (a) and (1) (e), Colorado Revised Statutes, are amended to read:

7-90-1003. Articles of reinstatement. (1) In order to reinstate an entity under this part 10, articles of reinstatement shall be delivered to the secretary of state for filing pursuant to part 3 of this article stating:

(a) The domestic entity name of the entity; ~~prior to its dissolution;~~

(e) That following reinstatement the domestic entity name of the domestic entity ~~will be the domestic entity name of the domestic entity immediately prior to dissolution, or, if such is the case, that, because the domestic entity name of the domestic entity immediately prior to dissolution does not comply with section 7-90-601 at the time of reinstatement, the domestic entity name of the domestic entity following reinstatement will be the domestic entity name of the domestic entity immediately prior to dissolution followed by the word "reinstated" and the year of reinstatement~~ SHALL COMPLY WITH SECTION 7-90-1004;

SECTION 23. 7-90-1004, Colorado Revised Statutes, is amended to read:

7-90-1004. Entity name upon reinstatement. The domestic entity name of a domestic entity following reinstatement shall be the ~~same as the~~ domestic entity name, DETERMINED WITHOUT REGARD TO SECTION

7-90-601.5, of the domestic entity ~~immediately prior to dissolution~~ AT THE TIME OF REINSTATEMENT if such domestic entity name complies with section 7-90-601 at the time of reinstatement. If ~~the~~ THAT domestic entity name ~~of the entity immediately prior to dissolution is not available~~ DOES NOT COMPLY WITH SECTION 7-90-601 ~~at the time of reinstatement~~, the domestic entity name of the domestic entity following reinstatement shall be ~~the~~ THAT domestic entity name ~~of the domestic entity immediately prior to dissolution~~ followed by the word "reinstated" and the year of reinstatement. Following reinstatement, the entity may amend its domestic entity name in accordance with the organic statutes and the entity's constituent operating document.

SECTION 24. 7-130-105, Colorado Revised Statutes, is amended to read:

7-130-105. Articles of amendment to articles of incorporation.

(1) A nonprofit corporation amending its articles of incorporation shall deliver to the secretary of state, for filing pursuant to part 3 of article 90 of this title, articles of amendment stating:

- (a) The domestic entity name of the nonprofit corporation; AND
- (b) The text of each amendment adopted.
- (c) ~~The date of each amendment's adoption;~~
- (d) ~~If the amendment was adopted by the board of directors or incorporators without member action, a statement to that effect and that member action was not required;~~
- (e) ~~If the amendment was adopted by the members, a statement that the number of votes cast for the amendment by each voting group entitled to vote separately on the amendment was sufficient for approval by that voting group; and~~
- (f) ~~If approval of the amendment by some person or persons other than the members, the board of directors, or the incorporators is required pursuant to section 7-130-301, a statement that the approval was obtained.~~

SECTION 25. 7-131-104, Colorado Revised Statutes, is amended to read:

7-131-104. Effect of merger. ~~(1) When a merger takes effect: THE EFFECT OF A MERGER SHALL BE AS PROVIDED IN SECTION 7-90-204.~~

~~(a) Every other nonprofit corporation party to the merger merges into the surviving nonprofit corporation and the separate existence of every nonprofit corporation party to the merger except the surviving nonprofit corporation ceases;~~

~~(b) The title to all real estate and other property owned by each other nonprofit corporation party to the merger is transferred to and vested in the surviving nonprofit corporation without reversion or impairment; and such transfer to and vesting in the surviving nonprofit corporation shall be deemed to occur by operation of law, and no consent or approval of any other person shall be required in connection with any such transfer or vesting unless such consent or approval is specifically required in the event of merger by law or by express provision in any contract, agreement, decree, order, or other instrument to which any of the nonprofit corporations so merged is a party or by which it is bound;~~

~~(c) The surviving nonprofit corporation has all liabilities of each nonprofit corporation party to the merger;~~

~~(d) A proceeding pending by or against any nonprofit corporation party to the merger may be continued as if the merger did not occur or the surviving nonprofit corporation may be substituted in the proceeding for the nonprofit corporation whose existence ceased;~~

~~(e) The articles of incorporation of the surviving nonprofit corporation are amended to the extent provided in the plan of merger; and~~

~~(f) The memberships of each nonprofit corporation party to the merger that are to be converted into memberships, obligations, or other interests of the surviving nonprofit corporation or into money or other property are converted, and the former holders of the memberships are entitled only to the rights provided in the articles of merger.~~

SECTION 26. Repeal. 7-56-710, 7-56-711, 7-60-152, 7-64-1008, 7-80-807, 7-80-808, 7-90-808, 7-90-809, 7-90-810, 7-114-201, 7-114-202, 7-134-201, and 7-134-202, Colorado Revised Statutes, are repealed.

SECTION 27. The introductory portion to 7-56-714 (4) (a),

Colorado Revised Statutes, is amended to read:

7-56-714. Grounds for judicial dissolution. (4) (a) If a cooperative has been dissolved by voluntary ~~or administrative~~ action taken under sections 7-56-701 to ~~7-56-711~~ 7-56-708:

SECTION 28. The introductory portion to 7-80-810 (4) (a), Colorado Revised Statutes, is amended to read:

7-80-810. Judicial dissolution. (4) (a) If a limited liability company has been dissolved by voluntary ~~or administrative~~ action taken under subpart 1 ~~or subpart 2~~ of this part 8:

SECTION 29. The introductory portion 7-114-301 (4) (a), Colorado Revised Statutes, is amended to read:

7-114-301. Grounds for judicial dissolution. (4) (a) If a corporation has been dissolved by voluntary ~~or administrative~~ action taken under part 1 ~~or 2~~ of this article:

SECTION 30. The introductory portion to 7-134-301 (4) (a), Colorado Revised Statutes, is amended to read:

7-134-301. Grounds for judicial dissolution. (4) (a) If a nonprofit corporation has been dissolved by voluntary ~~or administrative~~ action taken under part 1 ~~or 2~~ of this article:

SECTION 31. 7-137-101 (1) (b), Colorado Revised Statutes, is amended to read:

7-137-101. Application to existing corporations. (1) (b) A corporate entity that was either incorporated under or elected to accept articles 20 to 29 of this title and that was suspended or, as a consequence of such suspension, dissolved by operation of law before July 1, 1998, and was eligible for reinstatement or restoration, renewal, and revival on June 30, 1998, shall be deemed to be in existence on that date for purposes of this subsection (1) and shall be deemed administratively dissolved on the date of such suspension for purposes of sections 7-134-105 and ~~7-134-201 to~~ 7-134-205.

SECTION 32. 7-137-102 (3) and (4), Colorado Revised Statutes, are amended to read:

7-137-102. Pre-1968 corporate entities - failure to file reports and designate registered agents - dissolution. (3) If any corporate entity, formed prior to January 1, 1968, that could elect to be governed by articles 20 to 29 or 121 to 137 of this title, but that has not so elected and has failed to file annual reports or ~~designate~~ MAINTAIN a registered agent, may be ~~administratively dissolved pursuant to sections 7-134-201 and 7-134-202 and reinstated pursuant to part 10 of article 90 of this title~~ DECLARED DELINQUENT PURSUANT TO SECTION 7-90-902.

(4) Any corporate entity formed prior to January 1, 1968, that could elect to be governed by articles 20 to 29 of this title, that was suspended or was declared defunct, but not dissolved by operation of law under section 7-20-105 before July 1, 1998, and that was eligible for reinstatement on June 30, 1998, shall be deemed administratively dissolved on the date of such suspension for purposes of sections 7-134-105 and ~~7-134-201 to 7-134-204~~ 7-134-205 and may reinstate itself as a nonprofit corporation as provided in part 10 of article 90 of this title.

SECTION 33. Effective date. (1) This act shall take effect October 1, 2005.

(2) However, if a referendum petition is filed against this act or an item, section, or part of this act during the 90-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, then the act, item, section, or part, shall not take effect unless approved by the people at a biennial regular general election and shall take

effect on the date specified in subsection (1) or on the date of the official declaration of the vote thereon by proclamation of the governor, whichever is later.

Andrew Romanoff
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Joan Fitz-Gerald
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

APPROVED _____

Bill Owens
GOVERNOR OF THE STATE OF COLORADO