

2021 -- H 5051

=====
LC000729
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

—————
A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS -- RHODE
ISLAND BUSINESS CORPORATION ACT

Introduced By: Representative Jacquelyn M. Baginski

Date Introduced: January 22, 2021

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 7-1.2-1312 and 7-1.2-1416 of the General Laws in Chapter 7-1.2
2 entitled "Rhode Island Business Corporation Act" are hereby amended to read as follows:

3 **7-1.2-1312. Withdrawal of certificate of revocation.**

4 (a) Within ~~ten (10)~~ twenty (20) years after issuing a certificate of revocation as provided in
5 § 7-1.2-1311, the secretary of state may withdraw the certificate of revocation and retroactively
6 reinstate the corporation in good standing as if its articles of incorporation had not been revoked,
7 except as subsequently provided:

8 (1) Upon the filing by the corporation of the documents it had previously failed to file as
9 set forth in subdivisions (3) -- (6) of § 7-1.2-1310(a); and

10 (2) Upon the payment by the corporation of a penalty for each year or part of a year that
11 has elapsed since the issuance of the certificate of revocation.

12 (3) Upon the filing by the corporation of a certificate of good standing from the Rhode
13 Island division of taxation.

14 (b) If, as permitted by the provisions of this title, another corporation, whether business or
15 nonprofit, limited partnership, limited-liability partnership or limited-liability company, or
16 domestic or foreign, qualified to transact business in this state, bears or has filed a fictitious business
17 name statement with respect to or reserved or registered a name which is not distinguishable upon
18 the records of the secretary of state from the name of a corporation with respect to which the

1 certificate of revocation is proposed to be withdrawn, then the secretary of state shall condition the
2 withdrawal of the certificate of revocation upon the reinstated corporation's amending its articles
3 of incorporation or otherwise complying with the provisions of this chapter with respect to the use
4 of a name available to it under the laws of this state so as to designate a name which is
5 distinguishable upon the records of the secretary of state from its former name.

6 (c) Upon the withdrawal of the certificate of revocation and reinstatement of the
7 corporation in good standing as provided in subsection (a) of this section, title to any real estate, or
8 any interest in real estate, held by the corporation at the time of the issuance of the certificate of
9 revocation and not conveyed subsequent to the revocation of its articles of incorporation is deemed
10 to be revested in the corporation without further act or deed.

11 **7-1.2-1416. Withdrawal of certificate of revocation.**

12 (a) Within ~~ten (10)~~ twenty (20) years after issuing a certificate of revocation as provided in
13 § 7-1.2-1415, the secretary of state may withdraw the certificate of revocation and retroactively
14 reinstate the corporation in good standing as if its certificate of incorporation had not been revoked,
15 except as subsequently provided:

16 (1) Upon the filing by the corporation of the documents it had previously failed to file as
17 set forth in subsections (a)(1) -- (a)(4) of § 7-1.2-1414.

18 (2) Upon the payment by the corporation of a penalty for each year or part of a year that
19 has elapsed since the issuance of the certificate of revocation; and

20 (3) Upon the filing by the corporation of a certificate of good standing from the Rhode
21 Island division of taxation.

22 (b) If, as permitted by the provisions of this title, another corporation, whether business or
23 nonprofit limited partnership, limited-liability partnership or limited-liability company, or domestic
24 or foreign, qualified to transact business in this state, bears or has filed a fictitious business name
25 statement with respect to or reserved or registered a name which is not distinguishable upon the
26 records of the secretary of state from the name of a corporation with respect to which the certificate
27 of revocation is proposed to be withdrawn, then the secretary of state shall condition the withdrawal
28 of the certificate of revocation upon the reinstated corporation's amending its articles of
29 incorporation or otherwise complying with the provisions of this chapter with respect to the use of
30 a name available to it under the laws of this state so as to designate a name which is distinguishable
31 upon the records of the secretary of state from its former name.

32 (c) Upon the withdrawal of the certificate of revocation and reinstatement of the
33 corporation in good standing as provided in subsection (a), title to any real estate, or any interest in
34 real estate, held by the corporation at the time of the issuance of the certificate of revocation and

1 not conveyed subsequent to the revocation of its certificate of incorporation, shall be deemed to be
2 re-vested in the corporation without further act or deed.

3 SECTION 2. Section 7-6-58 of the General Laws in Chapter 7-6 entitled "Rhode Island
4 Nonprofit Corporation Act" is hereby amended to read as follows:

5 **7-6-58. Withdrawal of certificate of revocation.**

6 (a) Within ~~ten (10)~~ twenty (20) years after issuing a certificate of revocation as provided in
7 § 7-6-57, the secretary of state may withdraw the certificate of revocation and reinstate the
8 corporation in good standing:

9 (1) Upon filing by the corporation of the documents it had previously failed to file as set
10 forth in § 7-6-56(a)(3) -- (a)(6); and

11 (2) Upon the payment by the corporation of a penalty in the amount of twenty-five dollars
12 (\$25.00) for each year or part of a year that has elapsed since the issuance of the certificate of
13 revocation.

14 (b) If as permitted by § 7-6-11(b)(2) another corporation, whether business or nonprofit, or
15 domestic or foreign qualified to transact business in this state, bears or has filed a fictitious business
16 name statement with respect to or reserved or registered in a name that is the same as the name of
17 a corporation regarding which the certificate of revocation is proposed to be withdrawn, the
18 secretary of state shall condition the withdrawal of the certificate of revocation upon the reinstated
19 corporation's amending its articles of incorporation so as to designate a name that is distinguishable
20 upon the records of the secretary of state from its former name.

21 (c) Upon the withdrawal of the certificate of revocation and reinstatement of the
22 corporation in good standing as provided in subsection (a), title to any real estate, or any interest in
23 real estate, held by the corporation at the time of the issuance of the certificate of revocation and
24 not conveyed subsequent to the revocation of its certificate of incorporation shall be deemed to be
25 re-vested in the corporation without further act or deed.

26 SECTION 3. Section 7-16-43 of the General Laws in Chapter 7-16 entitled "The Rhode
27 Island Limited-Liability Company Act" is hereby amended to read as follows:

28 **7-16-43. Withdrawal of certificate of revocation.**

29 (a) Within ~~ten (10)~~ twenty (20) years after issuing a certificate of revocation as provided in
30 § 7-16-42, the secretary of state may withdraw the certificate of revocation and retroactively
31 reinstate the limited-liability company in good standing as if its certificate of organization or
32 certificate of registration had not been revoked except as subsequently provided:

33 (1) On the filing by the limited-liability company of the documents it had previously failed
34 to file as set forth in subdivisions (3) -- (6) of § 7-16-41(a);

1 (2) On the payment by the limited-liability company of a penalty in the amount of fifty
2 dollars (\$50.00) for each year or part of year that has elapsed since the issuance of the certificate
3 of revocation; and

4 (3) Upon the filing by the limited-liability company of a certificate of good standing from
5 the Rhode Island division of taxation.

6 (b) If, as permitted by the provisions of this chapter or chapters 1.2, 6, 12, or 13 of this title,
7 another limited-liability company, business or nonprofit corporation, registered limited liability
8 partnership or a limited partnership, or in each case domestic or foreign, authorized and qualified
9 to transact business in this state, bears or has filed a fictitious business name statement as to or
10 reserved or registered a name that is the same as, the name of the limited-liability company with
11 respect to which the certificate of revocation is proposed to be withdrawn, then the secretary of
12 state shall condition the withdrawal of the certificate of revocation on the reinstated limited-liability
13 company's amending its articles of organization or certificate of registration so as to designate a
14 name that is not the same as its former name.

15 SECTION 4. This act shall take effect upon passage.

=====
LC000729
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS -- RHODE
ISLAND BUSINESS CORPORATION ACT

1 This act would increase the time that the secretary of state can withdraw a certificate of
2 revocation for a corporation, nonprofit corporation, or limited liability company from ten (10) to
3 twenty (20) years without the corporation or limited liability company being required to seek
4 reinstatement by the legislature.

5 This act would take effect upon passage.

=====
LC000729
=====