AN ACT

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:

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

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

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of revocation and retroactively reinstate the corporation in good standing as if its articles of incorporation had not been revoked, except as subsequently provided:

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

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

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

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certificate of revocation is proposed to be withdrawn, then the secretary of state shall condition the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

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

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

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

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

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

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

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

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

SECTION 2. Sections 7-6-58 and 7-6-87 of the General Laws in Chapter 7-6 entitled
"Rhode Island Nonprofit Corporation Act" are hereby amended to read as follows:

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

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

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

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

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

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

7-6-87. Withdrawal of certificates of revocation.

Within ten (10) twenty (20) years after issuing a certificate of revocation as provided in §
7-6-86, the secretary of state may withdraw the certificate of revocation and reinstate the
corporation in good standing:

(1) Upon the filing by the corporation of the documents it had previously failed to file as
set forth in § 7-6-85(a)(1) -- (a)(4), inclusive; and

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

(ii) If as permitted by § 7-6-72(2) another corporation, whether business or nonprofit, or
domestic or foreign, qualified to transact business in this state, bears or has filed a fictitious business
name statement regarding or reserved or registered a name that is the same as the name of a
corporation regarding which the certificate of revocation is proposed to be withdrawn, the secretary
of state shall condition the withdrawal of a certificate of revocation upon the reinstated
corporation's amending its articles of incorporation so as to designate a name that is distinguishable
upon the records of the secretary of state from its former name.

Island Limited-Liability Company Act” is hereby amended to read as follows:

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

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

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

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

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

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

SECTION 4. This act shall take effect upon passage.
EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
AN ACT
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This act would increase the time that the secretary of state can withdraw a certificate of revocation for a corporation, nonprofit corporation, or limited liability company from ten (10) to twenty (20) years without the corporation or limited liability company being required to seek reinstatement by the legislature.

This act would take effect upon passage.