SCOTT SCHWAB
Secretary of State



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Testimony on HB2455 (Oral Proponent)

House Committee on Judiciary Tuesday, March 14, 2023

Chairman Patton and members of the Committee:

Thank you for the opportunity to testify in support of House Bill 2455. We are pleased to partner with the Kansas Bar Association's Corporate Law Group and extend our gratitude for allowing our office to add provisions to their bill.

Our proposed changes came as a result of three efforts: 1) reviewing the most common reasons for errors on business services filings and identifying ways to modify the law to reduce errors, 2) a review by our Business Services and IT staff, who are collaborating to create a new system for corporate filings, and 3) following up on the biennial filing bill passed in 2021.

Following these efforts, provisions proposed by our office are included in HB2455, including:

- 1. Standardizing the address requirement for the principal office and clarifying that a rural route number is acceptable.
- 2. Deleting statutes or provisions, including the need for a corporate annual report to provide the number of shares issued, that became obsolete after the Secretary of State stopped collecting the franchise tax in 2004.
- 3. Deleting two statutes regarding annual report fees that should have been included in the 2021 biennial filing bill. This is a technical fix that still allows collection of biennial fees.
- 4. Replacing a per page fee with a per document fee for requested documents and allowing corporate documents can be directly uploaded to the new Business Services system.
- 5. Fixing the fee for the service of process when performed by the Secretary of State.

Thank you for the opportunity to provide comments to the Committee. We respectfully request the passage of HB2455.

Respectfully submitted,

Clay Barker Deputy Assistant Secretary of State General Counsel