

5034 JUDICIAL IMPACT FISCAL NOTE

Bill Number: 5034 SSB	Title: Nonprofit Corporations	Agency: 055 – Administrative Office of the Courts (AOC)
---------------------------------	---	--

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

	FY 2021	FY 2022	2021-23	2023-25	2025-27
Total:					

Estimated Expenditures from:

STATE	FY 2021	FY 2022	2021-23	2023-25	2025-27
FTE – Staff Years					
Account					
General Fund – State (001-1)					
State Subtotal					
COUNTY					
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal					
CITY					
City FTE Staff Years					
Account					
Local – Cities					
Cities Subtotal					
Local Subtotal					
Total Estimated Expenditures:					

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form parts I-V

☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐ Capital budget impact, complete Part IV.

Legislative Contact:	Phone:	Date:
Agency Preparation: Sam Knutson	Phone: 360-704-5528	Date: 1/26/2021
Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date:
OFM Review:	Phone:	Date:

Part II: Narrative Explanation

This bill would create the Washington Non-profit Corporation Act, repealing existing statute and creating comprehensive revisions. The bill would apply to existing and new non-profit corporations.

This bill differs from SB 5034:

Makes technical corrections and changes to various sections of the original bill. These changes do not change the fiscal impact.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

Section 1504 – Would allow a non-profit corporation to file an executed agreement with a court concerning gifts and would provide that the agreement becomes equivalent to a court order. A court may void the agreement if it determines that the agreement does not adequately represent and protect the interests of the parties and the public interest.

Section 1505 – Would allow a court to modify a restriction related to a gift's management or investment. Would provide that a court may modify a restriction upon application by a corporation.

Section 1606 – Would allow a court to issue an order allowing directors to inspect records.

Section 3511 – Would allow for an application to be filed with a court for a determination of the amount / form of security for payment of claims. Would allow a court to appoint a special representative to represent claimants whose identities are unknown. Would provide that the dissolved corporation pays the guardian ad litem fees.

Section 4203 – Would allow a court to hear and determine the validity of a corporate action and make orders related to the issues raised. The court would be required to provide notice to every person affected of the pendency of proceedings.

II.B - Cash Receipt Impact

None.

II.C – Expenditures

Indeterminate, but expected to be minimal. It is unknown how many hearings would result from this bill.

Court education would be required. This would be managed within existing resources.