

CHAPTER.....

AN ACT relating to business associations; excluding certain nonprofit organizations from the definition of “business”; revising provisions relating to certain filings with the Secretary of State by certain business associations; making various technical corrections to various provisions relating to business associations; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law defines “business” for the purposes of statutes governing state business licenses. (NRS 76.020) **Section 1** of this bill amends the definition to exclude certain nonprofit organizations.

Existing law provides for a fine against certain business associations purporting to do business in this State that willfully fail or neglect to comply with certain requirements for qualification to do business in this State. (NRS 78.047, 80.055, 82.5234, 86.213, 86.548, 87.445, 87.5405, 87A.237, 87A.610, 87A.632, 87A.652, 88.352, 88.600, 88.6062, 88.6087, 88A.215, 88A.750, 89.215) **Sections 4, 6, 8, 9 and 11-24** of this bill eliminate the element of neglect from these provisions.

Sections 5, 7 and 10 of this bill revise the list of items that certain business associations must file with the Secretary of State.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 76.020 is hereby amended to read as follows:

76.020 1. Except as otherwise provided in subsection 2, “business” means:

(a) Any person, except a natural person, that performs a service or engages in a trade for profit;

(b) Any natural person who performs a service or engages in a trade for profit if the person is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss From Business Form, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss Form, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss From Farming Form, or its equivalent or successor form, for that activity; or

(c) Any entity organized pursuant to this title, including, without limitation, those entities required to file with the Secretary of State, whether or not the entity performs a service or engages in a business for profit.



2. The term does not include:

(a) A governmental entity.

(b) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

(c) A *natural* person who operates a business from his or her ~~home~~ *personal residence* and whose net earnings from that business are not more than 66 2/3 percent of the average annual wage, as computed for the preceding calendar year pursuant to chapter 612 of NRS and rounded to the nearest hundred dollars.

(d) A natural person whose sole business is the rental of four or fewer dwelling units to others.

(e) A business whose primary purpose is to create or produce motion pictures. As used in this paragraph, "motion pictures" has the meaning ascribed to it in NRS 231.020.

(f) A business organized pursuant to chapter 82 or 84 of NRS.

(g) A nonprofit organization without shares of stock formed pursuant to chapter 81 of NRS.

(h) A foreign nonprofit organization without shares of stock registered pursuant to chapter 80 of NRS.

Sec. 2. (Deleted by amendment.)

Sec. 3. (Deleted by amendment.)

Sec. 4. NRS 78.047 is hereby amended to read as follows:

78.047 1. Every person, other than a corporation organized and existing pursuant to the laws of another state, territory, the District of Columbia, a possession of the United States or a foreign country, who is purporting to do business in this State as a corporation and who willfully fails ~~for or neglects~~ to file with the Secretary of State articles of incorporation is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.



Sec. 5. NRS 80.010 is hereby amended to read as follows:

80.010 1. Before commencing or doing any business in this State, each corporation organized pursuant to the laws of another state, territory, the District of Columbia, a possession of the United States or a foreign country that enters this State to do business must:

(a) File in the Office of the Secretary of State of this State:

(1) ~~[A certificate of corporate existence issued not more than 90 days before the date of filing by an authorized officer of the jurisdiction of its incorporation setting forth the filing of records and instruments related to the articles of incorporation, or the governmental acts or other instrument or authority by which the corporation was created. If the certificate is in a language other than English, a translation, together with the oath of the translator and his or her attestation of its accuracy, must be attached to the certificate.~~

~~—(2)]~~ (2) The information required pursuant to NRS 77.310. The street address of the registered agent is the registered office of the corporation in this State.

~~[(3)]~~ (2) A statement signed by an officer of the corporation setting forth:

(I) A general description of the purposes of the corporation; ~~[and]~~

(II) The authorized stock of the corporation and the number and par value of shares having par value and the number of shares having no par value ~~[-]~~;

(III) A declaration of the existence of the corporation and the name of the jurisdiction of its incorporation, or the governmental acts or other instrument or authority by which the corporation was created; and

(IV) A declaration that the corporation is in good standing in the jurisdiction of its incorporation or creation, as applicable.

(b) Lodge in the Office of the Secretary of State a copy of the record most recently filed by the corporation in the jurisdiction of its incorporation setting forth the authorized stock of the corporation, the number of par-value shares and their par value, and the number of no-par-value shares.

2. The Secretary of State shall not file the records required by subsection 1 for any foreign corporation whose name is not distinguishable on the records of the Secretary of State from the names of all other artificial persons formed, organized, registered or qualified pursuant to the provisions of this title that are on file in the Office of the Secretary of State and all names that are reserved in the Office of the Secretary of State pursuant to the provisions of this



title, unless the written, acknowledged consent of the holder of the name on file or reserved name to use the same name or the requested similar name accompanies the articles of incorporation.

3. For the purposes of this section and NRS 80.012, a proposed name is not distinguishable from a name on file or reserved solely because one or the other names contains distinctive lettering, a distinctive mark, a trademark or trade name, or any combination thereof.

4. The name of a foreign corporation whose charter has been revoked, which has merged and is not the surviving entity or whose existence has otherwise terminated is available for use by any other artificial person.

5. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if the name of the corporation contains the words "engineer," "engineered," "engineering," "professional engineer," "registered engineer" or "licensed engineer" unless the State Board of Professional Engineers and Land Surveyors certifies that:

(a) The principals of the corporation are licensed to practice engineering pursuant to the laws of this State; or

(b) The corporation is exempt from the prohibitions of NRS 625.520.

6. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if the name of the corporation contains the words "architect," "architecture," "registered architect," "licensed architect," "registered interior designer," "registered interior design," "residential designer," "registered residential designer," "licensed residential designer" or "residential design" unless the State Board of Architecture, Interior Design and Residential Design certifies that:

(a) The principals of the corporation are holders of a certificate of registration to practice architecture or residential design or to practice as a registered interior designer, as applicable, pursuant to the laws of this State; or

(b) The corporation is qualified to do business in this State pursuant to NRS 623.349.

7. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if it appears from the records that the business to be carried on by the corporation is subject to supervision by the Commissioner of Financial Institutions, unless the Commissioner certifies that:



(a) The corporation has obtained the authority required to do business in this State; or

(b) The corporation is not subject to or is exempt from the requirements for obtaining such authority.

8. The Secretary of State shall not accept for filing the records required by subsection 1 or NRS 80.110 for any foreign corporation if the name of the corporation contains the word “accountant,” “accounting,” “accountancy,” “auditor” or “auditing” unless the Nevada State Board of Accountancy certifies that the foreign corporation:

(a) Is registered pursuant to the provisions of chapter 628 of NRS; or

(b) Has filed with the Nevada State Board of Accountancy under penalty of perjury a written statement that the foreign corporation is not engaged in the practice of accounting and is not offering to practice accounting in this State.

9. The Secretary of State may adopt regulations that interpret the requirements of this section.

Sec. 6. NRS 80.055 is hereby amended to read as follows:

80.055 1. Every corporation which willfully fails ~~for neglects~~ to comply with the provisions of NRS 80.010 to 80.040, inclusive, is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Except as otherwise provided in subsection 3, every corporation which fails or neglects to comply with the provisions of NRS 80.010 to 80.040, inclusive, may not commence or maintain any action or proceeding in any court of this State until it has fully complied with the provisions of NRS 80.010 to 80.040, inclusive.

3. An action or proceeding may be commenced by such a corporation if an extraordinary remedy available pursuant to chapter 31 of NRS is all or part of the relief sought. Such an action or proceeding must be dismissed without prejudice if the corporation does not comply with the provisions of NRS 80.010 to 80.040, inclusive, within 45 days after the action or proceeding is commenced.

4. When the Secretary of State is advised that a corporation is doing business in contravention of NRS 80.010 to 80.040, inclusive, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the corporation has its principal place of business or the Attorney General, or both, to institute proceedings to recover any applicable fine provided for in this section. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district



attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. The failure of a corporation to comply with the provisions of NRS 80.010 to 80.040, inclusive, does not impair the validity of any contract or act of the corporation, or prevent the corporation from defending any action, suit or proceeding in any court of this State.

6. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 7. NRS 80.110 is hereby amended to read as follows:

80.110 1. Each foreign corporation doing business in this State shall, on or before the last day of the first month after the filing of ~~its certificate of corporate existence~~ *the records required by this subsection or NRS 80.010* with the Secretary of State, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:

(a) The names and addresses, either residence or business, of its president, secretary and treasurer, or the equivalent thereof, and all of its directors;

(b) The information required pursuant to NRS 77.310; and

(c) The signature of an officer of the corporation.

2. Each list filed pursuant to subsection 1 must be accompanied by:

(a) A declaration under penalty of perjury that the foreign corporation has complied with the provisions of chapter 76 of NRS and which acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State.

(b) A statement as to whether the foreign corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on the Secretary of State's Internet website the Central Index Key of a corporation provided pursuant to this subsection and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.

3. Upon filing:

(a) The initial list required by subsection 1, the corporation shall pay to the Secretary of State a fee of \$125.



(b) Each annual list required by subsection 1, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

\$75,000 or less	\$125
Over \$75,000 and not over \$200,000	175
Over \$200,000 and not over \$500,000	275
Over \$500,000 and not over \$1,000,000	375
Over \$1,000,000:	
For the first \$1,000,000	375
For each additional \$500,000 or fraction thereof	275

→ The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is \$11,100.

4. If a director or officer of a corporation resigns and the resignation is not reflected on the annual or amended list of directors and officers, the corporation or the resigning director or officer shall pay to the Secretary of State a fee of \$75 to file the resignation.

5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each corporation which is required to comply with the provisions of NRS 80.110 to 80.175, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list pursuant to subsection 1. Failure of any corporation to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 80.110 to 80.175, inclusive.

6. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

Sec. 8. NRS 82.5234 is hereby amended to read as follows:

82.5234 1. Every foreign nonprofit corporation which is doing business in this State and which willfully fails ~~for neglects~~ to qualify to do business in this State in accordance with the laws of this State is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Except as otherwise provided in subsection 3, every foreign nonprofit corporation which is doing business in this State and which fails or neglects to qualify to do business in this State in accordance with the laws of this State may not commence or maintain any action or proceeding in any court of this State until it has qualified to do business in this State.



3. An action or proceeding may be commenced by such a corporation if an extraordinary remedy available pursuant to chapter 31 of NRS is all or part of the relief sought. Such an action or proceeding must be dismissed without prejudice if the corporation does not qualify to do business in this State within 45 days after the action or proceeding is commenced.

4. When the Secretary of State is advised that a foreign nonprofit corporation is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the foreign nonprofit corporation has its principal place of business or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. The failure of a foreign nonprofit corporation to qualify to do business in this State in accordance with the laws of this State does not impair the validity of any contract or act of the corporation, or prevent the corporation from defending any action, suit or proceeding in any court of this State.

6. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 9. NRS 86.213 is hereby amended to read as follows:

86.213 1. Every person, other than a foreign limited-liability company, who is purporting to do business in this State as a limited-liability company and who willfully fails ~~for neglects~~ to file with the Secretary of State articles of organization is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.



Sec. 10. NRS 86.544 is hereby amended to read as follows:

86.544 Before transacting business in this State, a foreign limited-liability company must register with the Secretary of State. In order to register, a foreign limited-liability company must submit to the Secretary of State an application for registration as a foreign limited-liability company, signed by a manager of the company or, if management is not vested in a manager, a member of the company. The application for registration must set forth:

1. The name of the foreign limited-liability company and, if different, the name under which it proposes to register and transact business in this State;

2. The ~~{state}~~ *jurisdiction* and date of its formation;

3. *A declaration of the existence of the foreign limited-liability company;*

4. *A declaration that the foreign limited-liability company is in good standing in the jurisdiction of its formation;*

5. The information required pursuant to NRS 77.310;

~~{4-}~~ 6. A statement that the Secretary of State is appointed the agent of the foreign limited-liability company for service of process if the authority of the registered agent has been revoked, or if the registered agent has resigned or cannot be found or served with the exercise of reasonable diligence;

~~{5-}~~ 7. The address of the office required to be maintained in the state of its organization by the laws of that state or, if not so required, of the principal office of the foreign limited-liability company;

~~{6-}~~ 8. The name and business address of each manager or, if management is not vested in a manager, each member;

~~{7-}~~ 9. The address of the office at which is kept a list of the names and addresses of the members and their capital contributions, together with an undertaking by the foreign limited-liability company to keep those records until the registration in this State of the foreign limited-liability company is cancelled or withdrawn; and

~~{8-}~~ 10. If the foreign limited-liability company has one or more series of members and if the debts or liabilities of a series are enforceable against the assets of that series only and not against the assets of the company generally or another series, a statement to that effect.

Sec. 11. NRS 86.548 is hereby amended to read as follows:

86.548 1. Every foreign limited-liability company transacting business in this State which willfully fails ~~{or neglects}~~ to register with the Secretary of State in accordance with the provisions of



NRS 86.544 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Every foreign limited-liability company transacting business in this State which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 86.544 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State.

3. The failure of a foreign limited-liability company to register with the Secretary of State does not impair the validity of any contract or act of the foreign limited-liability company, or prevent the foreign limited-liability company from defending any action, suit or proceeding in any court of this State.

4. When the Secretary of State is advised that a foreign limited-liability company is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the foreign limited-liability company has its principal place of business or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. A foreign limited-liability company, by transacting business in this State without registering with the Secretary of State, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State by the foreign limited-liability company.

6. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 12. NRS 87.445 is hereby amended to read as follows:

87.445 1. Every person, other than a foreign registered limited-liability partnership, who is purporting to do business in this State as a registered limited-liability partnership and who willfully fails ~~for neglects~~ to file with the Secretary of State a certificate of registration is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a



proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 13. NRS 87.5405 is hereby amended to read as follows:

87.5405 1. Every foreign registered limited-liability partnership which is doing business in this State and which willfully fails ~~for neglects~~ to register with the Secretary of State pursuant to NRS 87.440 to 87.500, inclusive, and 87.541 to 87.544, inclusive, is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Every foreign registered limited-liability partnership which is doing business in this State and which fails or neglects to register with the Secretary of State pursuant to NRS 87.440 to 87.500, inclusive, and 87.541 to 87.544, inclusive, may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State pursuant to NRS 87.440 to 87.500, inclusive, and 87.541 to 87.544, inclusive.

3. The failure of a foreign registered limited-liability partnership to register in this State does not impair the validity of any contract or act of the foreign registered limited-liability partnership, or prevent the foreign registered limited-liability partnership from defending any action, suit or proceeding in any court of this State.

4. When the Secretary of State is advised that a foreign registered limited-liability partnership is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the foreign registered limited-liability partnership's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. A foreign registered limited-liability partnership, by transacting business in this State without registration, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State by the foreign registered limited-liability partnership.



6. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 14. NRS 87A.237 is hereby amended to read as follows:

87A.237 1. Every person, other than a foreign limited partnership, who is purporting to do business in this State as a limited partnership and who willfully fails ~~for neglects~~ to file with the Secretary of State a certificate of limited partnership is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person, other than a foreign limited partnership, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 15. NRS 87A.610 is hereby amended to read as follows:

87A.610 1. Every foreign limited partnership transacting business in this State which willfully fails ~~for neglects~~ to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Every foreign limited partnership transacting business in this State which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State.

3. The failure of a foreign limited partnership to register with the Secretary of State does not impair the validity of any contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending any action, suit or proceeding in any court of this State.

4. When the Secretary of State is advised that a foreign limited partnership is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the foreign limited partnership has its



principal place of business or the Attorney General, or both, to institute proceedings to recover any applicable fine provided for in this section. If the district attorney or the Attorney General prevails in a proceeding to recover a fine pursuant to this section, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. A limited partner of a foreign limited partnership is not liable as a general partner of the foreign limited partnership solely by reason of having transacted business in this State without registration.

6. A foreign limited partnership, by transacting business in this State without registering with the Secretary of State, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.

7. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 16. NRS 87A.632 is hereby amended to read as follows:

87A.632 1. Every person, other than a limited-liability limited partnership formed pursuant to an agreement governed by the laws of another state, who is purporting to do business in this State as a registered limited-liability limited partnership and who willfully fails ~~for-neglects~~ to file with the Secretary of State a certificate of registration is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in this section, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 17. NRS 87A.652 is hereby amended to read as follows:

87A.652 1. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a



foreign registered limited-liability limited partnership and which willfully fails ~~{or neglects}~~ to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a foreign registered limited-liability limited partnership and which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered in this State.

3. The failure of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state and purporting to do business in this State as a foreign registered limited-liability limited partnership, to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 does not impair the validity of any contract or act of the limited-liability limited partnership or prevent the limited-liability limited partnership from defending any action, suit or proceeding in any court of this State.

4. When the Secretary of State is advised that a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the limited-liability limited partnership has its principal place of business or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. A limited partner of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is not liable as a general partner of the limited-liability limited partnership solely by reason of having transacted business in this State without registration.

6. A limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, by transacting business in this State without registering with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575,



appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.

7. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 18. NRS 88.352 is hereby amended to read as follows:

88.352 1. Every person, other than a foreign limited partnership, who is purporting to do business in this State as a limited partnership and who willfully fails ~~for neglects~~ to file with the Secretary of State a certificate of limited partnership is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person, other than a foreign limited partnership, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 19. NRS 88.600 is hereby amended to read as follows:

88.600 1. Every foreign limited partnership transacting business in this State which willfully fails ~~for neglects~~ to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Every foreign limited partnership transacting business in this State which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered in this State.

3. The failure of a foreign limited partnership to register with the Secretary of State does not impair the validity of any contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending any action, suit or proceeding in any court of this State.



4. When the Secretary of State is advised that a foreign limited partnership is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the foreign limited partnership has its principal place of business or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. A limited partner of a foreign limited partnership is not liable as a general partner of the foreign limited partnership solely by reason of having transacted business in this State without registration.

6. A foreign limited partnership, by transacting business in this State without registering with the Secretary of State, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.

7. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 20. NRS 88.6062 is hereby amended to read as follows:

88.6062 1. Every person, other than a limited-liability limited partnership formed pursuant to an agreement governed by the laws of another state, who is purporting to do business in this State as a registered limited-liability limited partnership and who willfully fails ~~for neglects~~ to file with the Secretary of State a certificate of registration is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in this section, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.



Sec. 21. NRS 88.6087 is hereby amended to read as follows:

88.6087 1. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a foreign registered limited-liability limited partnership and which willfully fails ~~for neglects~~ to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Every limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, which is purporting to transact business in this State as a foreign registered limited-liability limited partnership and which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered in this State.

3. The failure of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state and purporting to do business in this State as a foreign registered limited-liability limited partnership, to register with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575 does not impair the validity of any contract or act of the limited-liability limited partnership or prevent the limited-liability limited partnership from defending any action, suit or proceeding in any court of this State.

4. When the Secretary of State is advised that a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the limited-liability limited partnership has its principal place of business or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. A limited partner of a limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, is not liable as a general partner of the limited-liability limited partnership solely by reason of having transacted business in this State without registration.



6. A limited-liability limited partnership, formed pursuant to an agreement governed by the laws of another state, by transacting business in this State without registering with the Secretary of State in accordance with the provisions of NRS 87A.540 or 88.575, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.

7. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 22. NRS 88A.215 is hereby amended to read as follows:

88A.215 1. Every person, other than a foreign business trust, who is purporting to do business in this State as a business trust and who willfully fails ~~for neglects~~ to file with the Secretary of State a certificate of trust is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person, other than a foreign business trust, is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 23. NRS 88A.750 is hereby amended to read as follows:

88A.750 1. Every foreign business trust transacting business in this State which willfully fails ~~for neglects~~ to register with the Secretary of State pursuant to the provisions of NRS 88A.710 is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. Every foreign business trust transacting business in this State which fails or neglects to register with the Secretary of State pursuant to the provisions of NRS 88A.710 may not commence or maintain any action, suit or proceeding in any court of this State until it has registered with the Secretary of State.

3. The failure of a foreign business trust to register with the Secretary of State does not impair the validity of any contract or act of the foreign business trust or prevent the foreign business trust



from defending any action, suit or proceeding in any court of this State.

4. When the Secretary of State is advised that a foreign business trust is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county where the foreign business trust has its principal place of business or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

5. A foreign business trust, by transacting business in this State without registering the Secretary of State, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this State.

6. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 24. NRS 89.215 is hereby amended to read as follows:

89.215 1. Every person who is purporting to do business in this State as a professional association and who willfully fails ~~for~~ **neglects** to file with the Secretary of State articles of association is subject to a fine of not less than \$1,000 but not more than \$10,000, to be recovered in a court of competent jurisdiction.

2. When the Secretary of State is advised that a person is subject to the fine described in subsection 1, the Secretary of State may, as soon as practicable, instruct the district attorney of the county in which the person's principal place of business is located or the Attorney General, or both, to institute proceedings to recover the fine. If the district attorney or the Attorney General prevails in a proceeding to recover the fine described in subsection 1, the district attorney or the Attorney General is entitled to recover the costs of the proceeding, including, without limitation, the cost of any investigation and reasonable attorney's fees.

3. The Secretary of State may adopt regulations to administer the provisions of this section.

Sec. 25. NRS 104.9526 is hereby amended to read as follows:

104.9526 1. The Secretary of State shall adopt and publish rules to effectuate this article. The filing-office rules must be:

(a) Consistent with this article; and

(b) Adopted in accordance with the provisions of chapter 233B of NRS.



2. To keep the filing-office rules and the practices of the filing office in harmony with the rules and practices of filing offices in other jurisdictions that enact substantially this part, and to keep the technology used by the filing office compatible with the technology used by filing offices in other jurisdictions that enact substantially this part, the Secretary of State, so far as is consistent with the purposes, policies, and provisions of this article, in adopting, amending, and repealing filing-office rules, shall:

(a) Consult with filing offices in other jurisdictions that enact substantially this part;

(b) Consult the most recent version of the Model Rules promulgated by the International Association of ~~Corporation~~ *Commercial* Administrators or any successor organization; and

(c) Take into consideration the rules and practices of, and the technology used by, filing offices in other jurisdictions that enact substantially this part.

Sec. 26. NRS 104.9527 is hereby amended to read as follows:

104.9527 The Secretary of State shall report biennially on or before the first Monday of February in each odd-numbered year to the Governor and Legislature on the operation of the filing office. The report must contain a statement of the extent to which:

1. The filing-office rules are not in harmony with the rules of filing offices in other jurisdictions that enact substantially this part and the reasons for these variations; and

2. The filing-office rules are not in harmony with the most recent version of the Model Rules promulgated by the International Association of ~~Corporation~~ *Commercial* Administrators, or any successor organization, and the reasons for these variations.

Sec. 27. (Deleted by amendment.)

Sec. 28. This act becomes effective on July 1, 2011.

