

1 SENATE BILL NO. 423
 2 INTRODUCED BY Jeffrey UANZEMER
 3 BY REQUEST OF THE SECRETARY OF STATE
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE
 6 SECRETARY OF STATE TO SELL COPIES OF THE CORPORATE
 7 INFORMATION LIST; AUTHORIZING THE SECRETARY OF STATE TO
 8 ADOPT RULES SPECIFYING THE FEE TO BE CHARGED FOR THE LIST;
 9 EXEMPTING THE LIST FROM THE MAILING LIST PROHIBITION OF
 10 STATE LAW; AND AMENDING SECTION 2-6-109, MCA."
 11

12 STATEMENT OF INTENT

13 A statement of intent is required for this bill because
 14 [section 1] authorizes the secretary of state to adopt rules
 15 setting fees to be charged for the sale of the corporate
 16 information list. It is the intent of the legislature that
 17 the fees should be commensurate with the costs of producing
 18 the list. Existing fees may be modified to the extent
 19 necessary to conform to this statement of intent and
 20 [section 1].
 21

22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

23 NEW SECTION. Section 1. Sale of corporate information
 24 list -- rulemaking authority. The secretary of state may
 25 offer for sale to private or public entities the corporate

1 information list developed by the secretary of state
 2 containing the name, address, registered agent, officers,
 3 and directors of business, nonprofit, religious,
 4 professional, and close corporations authorized to do
 5 business in this state. If the list is offered for sale, the
 6 secretary of state shall adopt rules under the Montana
 7 Administrative Procedure Act specifying the fee to be
 8 charged for the list.

9 **Section 2.** Section 2-6-109, MCA, is amended to read:

10 "2-6-109. Prohibition on distribution or sale of
 11 mailing lists -- exceptions -- penalty. (1) Except as
 12 provided in subsections (3)~~7~~(4)~~7~~(5)~~7~~ and (6)~~7~~ through (7),
 13 in order to protect the privacy of those who deal with state
 14 and local government:

15 (a) no agency may distribute or sell for use as a
 16 mailing list any list of persons without first securing the
 17 permission of those on the list; and

18 (b) no list of persons prepared by the agency may be
 19 used as a mailing list except by the agency or another
 20 agency without first securing the permission of those on the
 21 list.

22 (2) As used in this section, "agency" means any board,
 23 bureau, commission, department, division, authority, or
 24 officer of the state or a local government.

25 (3) Except as provided in 30-9-403, this section does



-2- INTRODUCED BILL
 SB 423

1 not prevent an individual from compiling a mailing list by
2 examination of original documents or applications which are
3 otherwise open to public inspection.

4 (4) This section does not apply to the lists of
5 registered electors and the new voter lists provided for in
6 13-2-115 and 13-38-103, to lists of the names of employees
7 governed by Title 39, chapter 31, or to lists of persons
8 holding driver's licenses provided for under 61-5-126.

9 (5) This section shall not prevent an agency from
10 providing a list to persons providing prelicensing or
11 continuing educational courses subject to Title 20, chapter
12 30, or specifically exempted therefrom as provided in
13 20-30-102.

14 (6) This section does not apply to the right of access
15 either by Montana law enforcement agencies or, by purchase
16 or otherwise, of public records dealing with motor vehicle
17 registration.

18 (7) This section does not apply to a corporate
19 information list developed by the secretary of state
20 containing the name, address, registered agent, officers,
21 and directors of business, nonprofit, religious,
22 professional, and close corporations authorized to do
23 business in this state.

24 ~~(7)~~(8) A person violating the provisions of subsection
25 (1)(b) is guilty of a misdemeanor."

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0423, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act authorizing the Secretary of State to sell copies of the corporate information list.

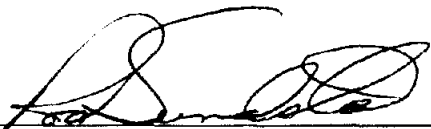
ASSUMPTIONS:

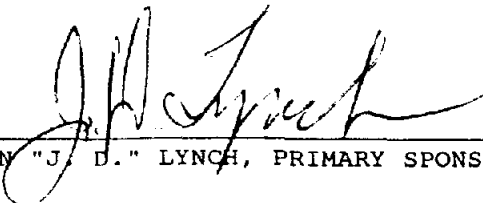
1. Lists will be sold at a rate of five per year in FY92, and seven per year in FY93, based upon current requests for lists.
2. Charges per list in FY93 will be slightly reduced from FY92 levels due to a reduction in online processing charges.
3. The Secretary of State's Office budget currently includes costs for list maintenance and development that will be passed on to the customer and calculated as part of "fee commensurate with cost" analysis.
4. The difference between estimated revenue and the increase in expenses is due to the carrying costs noted in number 3 above. Carrying costs are assumed to be roughly 50% of total charges.
5. Current law is represented by the executive budget recommendation for the Secretary of State's Office.

FISCAL IMPACT:

Secretary of State-Records Management Program

	FY '92			FY '93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
Operating Costs	391,400	398,900	7,500	440,200	450,200	10,000
<u>Funding:</u>						
General Fund (01)	391,400	398,900	7,500	440,200	450,200	10,000
<u>Revenue:</u>						
Sale of Lists/Gen Fund (01)	0	15,000	15,000	0	20,000	20,000
Impact to General Fund			7,500			10,000


 _____ 2-22-91
 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning


 _____ 2/23/91
 JOHN "J. D." LYNCH, PRIMARY SPONSOR DATE
 Fiscal Note for SB0423, as introduced

SB 423

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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13 A statement of intent is required for this bill because
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17 the fees should be commensurate with the costs of producing
18 the list. Existing fees may be modified to the extent
19 necessary to conform to this statement of intent and
20 [section 1].
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22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
23 NEW SECTION. **Section 1.** sale of corporate information
24 list -- rulemaking authority. The secretary of state may
25 offer for sale to private or public entities the corporate

1 information list developed by the secretary of state
2 containing the name, address, registered agent, officers,
3 and directors of business, nonprofit, religious,
4 professional, and close corporations authorized to do
5 business in this state. THE INFORMATION ON THE CORPORATE
6 INFORMATION LIST MUST BE LIMITED TO THE INFORMATION
7 AVAILABLE ON THE CORPORATE INFORMATION COMPUTER SYSTEM
8 MAINTAINED BY THE SECRETARY OF STATE. If the list is offered
9 for sale, the secretary of state shall adopt rules under the
10 Montana Administrative Procedure Act specifying the fee to
11 be charged for the list.

12 **Section 2.** Section 2-6-109, MCA, is amended to read:
13 "2-6-109. Prohibition on distribution or sale of
14 mailing lists -- exceptions -- penalty. (1) Except as
15 provided in subsections (3), (4), (5), and (6), through (7),
16 in order to protect the privacy of those who deal with state
17 and local government:
18 (a) no agency may distribute or sell for use as a
19 mailing list any list of persons without first securing the
20 permission of those on the list; and
21 (b) no list of persons prepared by the agency may be
22 used as a mailing list except by the agency or another
23 agency without first securing the permission of those on the
24 list.
25 (2) As used in this section, "agency" means any board,



1 bureau, commission, department, division, authority, or
2 officer of the state or a local government.

3 (3) Except as provided in 30-9-403, this section does
4 not prevent an individual from compiling a mailing list by
5 examination of original documents or applications which are
6 otherwise open to public inspection.

7 (4) This section does not apply to the lists of
8 registered electors and the new voter lists provided for in
9 13-2-115 and 13-38-103, to lists of the names of employees
10 governed by Title 39, chapter 31, or to lists of persons
11 holding driver's licenses provided for under 61-5-126.

12 (5) This section shall not prevent an agency from
13 providing a list to persons providing prelicensing or
14 continuing educational courses subject to Title 20, chapter
15 30, or specifically exempted therefrom as provided in
16 20-30-102.

17 (6) This section does not apply to the right of access
18 either by Montana law enforcement agencies or, by purchase
19 or otherwise, of public records dealing with motor vehicle
20 registration.

21 (7) This section does not apply to a corporate
22 information list developed by the secretary of state
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2 †7†(8) A person violating the provisions of subsection
3 (1)(b) is guilty of a misdemeanor."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Sale of corporate information list -- rulemaking authority. The secretary of state may offer for sale to private or public entities the corporate

information list developed by the secretary of state containing the name, address, registered agent, officers, and directors of business, nonprofit, religious, professional, and close corporations authorized to do business in this state. THE INFORMATION ON THE CORPORATE INFORMATION LIST MUST BE LIMITED TO THE INFORMATION AVAILABLE ON THE CORPORATE INFORMATION COMPUTER SYSTEM MAINTAINED BY THE SECRETARY OF STATE. If the list is offered for sale, the secretary of state shall adopt rules under the Montana Administrative Procedure Act specifying the fee to be charged for the list.

Section 2. Section 2-6-109, MCA, is amended to read:

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