

Articles of Incorporation — Foreign Corporations—Admission to Montana—Capital Stock.

Chapter 132, Laws 1923, construed as permitting foreign corporations to file articles of incorporation and to do business in this state when their capital stock has no par value, the said chapter being held unconstitutional.

Charles T. Stewart, Esq.,
Secretary of State,
Helena, Montana.

My dear Mr. Stewart:

You have requested my opinion as to whether Section 5 of Chapter 132, of the Laws of 1923, is constitutional, and whether you should refuse admission to this state of foreign corporations having capital stock of no par value.

Section 5 of Chapter 132, to which you refer, is as follows:

"That from and after the passage of this act no foreign corporation shall be permitted to enter the State of Montana for the transaction of business, where such foreign corporation has capital stock of no par value."

It is well settled that a state may prescribe the terms on which foreign corporations may be admitted to transact business in the state, and may, if it deems it necessary and proper to do so, prohibit foreign corporations from transacting business in the state, other than interstate business. Consequently, if there be no other objection, the provisions of such section must be regarded as in full force and effect.

However, the title to Chapter 132 is as follows:

"An Act providing the Fees to Be Paid by Foreign Corporations for Filing a Certified Copy of Its Charter or Articles of Incorporation in the Office of the Secretary of State of the State of Montana."

Section 23 of Article V of our Constitution is as follows:

"No bill, except general appropriation bills, and bills for the codification and general revision of the laws, shall be passed containing more than one subject, which shall be clearly expressed in its title; but if any subject shall be embraced in any act which shall not be embraced in the title, such act shall be void only as to so much thereof as shall not be so expressed."

The act contains two subjects, one the fees to be paid by foreign corporations for filing articles of incorporation in the office of the Secretary of State, and the other foreign corporations having capital stock without any par value which are prohibited from entering the state for the transaction of business therein, a clear violation of the

provisions of Section 23, Article V, of the Constitution. The first subject, the fees to be paid, is expressed in the title, the second is not; consequently, under such constitutional provision the act is void as to the second, but not as to the first.

It is, therefore, my opinion that all of Section 5 of Chapter 132 is unconstitutional, and you should accept and file articles of incorporation of foreign corporations seeking admission to this state when their capital stock has no par value, determining the fees to be paid under Sections 3 and 4 of such chapter.

Very truly yours,

WELLINGTON D. RANKIN,
Attorney General.