



2011 SENATE BILL 391

January 19, 2012 - Introduced by Senator GROTHMAN, cosponsored by Representative KRAMER. Referred to Committee on Financial Institutions and Rural Issues.

1 **AN ACT** *to repeal* 180.0504 (3) (b); *to renumber and amend* 180.0504 (3) (a);
2 and *to amend* 180.1421 (2m) (b) of the statutes; **relating to:** the procedure for
3 the administrative dissolution of corporations.

Analysis by the Legislative Reference Bureau

Under current law, a corporation may voluntarily dissolve by filing articles of dissolution with the Department of Financial Institutions (DFI). DFI also has authority to initiate the involuntary dissolution of a corporation, based on specified grounds, by bringing a proceeding to administratively dissolve the corporation. If DFI commences such a dissolution proceeding, DFI must give the corporation written notice, addressed to the registered office of the corporation, of its determination that one or more grounds exist to dissolve the corporation, after which the corporation has 60 days to correct each ground for dissolution or demonstrate to the reasonable satisfaction of DFI that each ground does not exist. If the corporation fails to do so, DFI must administratively dissolve the corporation. DFI must enter a notation in its records to reflect each ground for dissolution and the effective date of dissolution and must give the corporation written notice of those facts, addressed to the registered office of the corporation. If either of these notices from DFI is returned to DFI as undeliverable, DFI must again give notice to the corporation, this time addressed to the principal office of the corporation. If this follow-up notice is returned to DFI as undeliverable or if the corporation's principal office cannot be determined from DFI's records, DFI must give the notice by publishing a "class 2" notice (two insertions) in the official state newspaper.

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Under this bill, if DFI's follow-up notice is returned to DFI as undeliverable or if the corporation's principal office cannot be determined from DFI's records, instead of giving the notice by publishing a "class 2" notice in the official state newspaper, DFI must give the notice by posting it on DFI's Web site. For two years, DFI must also publish a monthly "class 1" notice in the official state newspaper informing the public that these administrative dissolution notices are posted on DFI's Web site.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 180.0504 (3) (a) of the statutes is renumbered 180.0504 (3) and
2 amended to read:

3 180.0504 **(3)** Except as provided in ~~par. (b)~~ s. 180.1421 (2m) (b), if the address
4 of the corporation's principal office cannot be determined from the records held by
5 the department, the corporation may be served by publishing a class 3 notice, under
6 ch. 985, in the community where the corporation's principal office or registered office,
7 as most recently designated in the records of the department, is located.

8 **SECTION 2.** 180.0504 (3) (b) of the statutes is repealed.

9 **SECTION 3.** 180.1421 (2m) (b) of the statutes is amended to read:

10 180.1421 **(2m)** (b) If the notice under par. (a) is returned to the department as
11 undeliverable or if the corporation's principal office cannot be determined from the
12 records of the department, the department shall give the notice by ~~publishing a class~~
13 ~~2 notice under ch. 985 in the official state newspaper~~ posting the notice on the
14 department's Web site.

15 **SECTION 4. Nonstatutory provisions.**

16 (1) In addition to posting the notice described in section 180.1421 (2m) (b) of
17 the statutes, as affected by this act, the department of financial institutions shall,
18 for 24 months after the effective date of this subsection, publish a monthly class 1

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1 notice under ch. 985 in the official state newspaper informing the public that notices
2 described in section 180.1421 (2m) (b) of the statutes, as affected by this act, are
3 posted on the department's Web site.

4 (END)