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**SUBSTITUTE SENATE BILL 6028**

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**State of Washington****66th Legislature****2020 Regular Session**

**By** Senate Law & Justice (originally sponsored by Senators Pedersen, Padden, Dhingra, Holy, Kuderer, and Wilson, C.; by request of Uniform Law Commission)

READ FIRST TIME 01/17/20.

1 AN ACT Relating to adoption of the uniform electronic  
2 transactions act and aligning statutory provisions relating to  
3 signatures, declarations, and documents; amending RCW 4.92.100,  
4 5.50.010, 5.50.030, 9.38.060, 9A.72.085, 10.79.080, 18.27.114,  
5 18.64.550, 23.95.105, 23.95.200, 23.95.265, 23.95.420, 23.95.450,  
6 23B.01.200, 23B.01.230, 23B.01.240, 23B.01.250, 23B.01.290,  
7 23B.01.400, 23B.01.410, 23B.01.420, 23B.02.050, 23B.06.200,  
8 23B.06.250, 23B.06.260, 23B.06.300, 23B.07.010, 23B.07.020,  
9 23B.07.035, 23B.07.040, 23B.07.060, 23B.07.200, 23B.07.220,  
10 23B.07.240, 23B.07.300, 23B.07.310, 23B.07.320, 23B.08.070,  
11 23B.08.210, 23B.08.230, 23B.08.240, 23B.08.430, 23B.08.530,  
12 23B.09.020, 23B.09.030, 23B.09.040, 23B.09.060, 23B.13.030,  
13 23B.13.210, 23B.13.260, 23B.13.270, 23B.15.090, 23B.16.010,  
14 23B.16.020, 23B.16.200, 23B.25.040, 23B.25.070, 23B.30.070,  
15 25.10.011, 25.15.006, 26.52.030, 41.05.014, 58.09.050, 58.09.110,  
16 69.41.041, 69.41.055, and 74.08.055; reenacting and amending RCW  
17 19.09.020, 23B.16.030, and 24.03.005; adding a new chapter to Title 1  
18 RCW; repealing RCW 19.360.010, 19.360.020, 19.360.030, 19.360.040,  
19 19.360.050, 19.360.060, 19.400.010, 19.400.020, and 19.400.030; and  
20 providing an expiration date.

21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

1        NEW SECTION.    **Sec. 1.**    SHORT TITLE. This chapter may be known and  
2 cited as the uniform electronic transactions act.

3        NEW SECTION.    **Sec. 2.**    DEFINITIONS. The definitions in this  
4 section apply throughout this chapter unless the context clearly  
5 requires otherwise.

6        (1) "Agreement" means the bargain of the parties in fact, as  
7 found in their language or inferred from other circumstances and from  
8 rules, regulations, and procedures given the effect of agreements  
9 under laws otherwise applicable to a particular transaction.

10       (2) "Automated transaction" means a transaction conducted or  
11 performed, in whole or in part, by electronic means or electronic  
12 records, in which the acts or records of one or both parties are not  
13 reviewed by an individual in the ordinary course in forming a  
14 contract, performing under an existing contract, or fulfilling an  
15 obligation required by the transaction.

16       (3) "Blockchain" means a cryptographically secured,  
17 chronological, and decentralized consensus ledger or consensus  
18 database maintained via internet, peer-to-peer network, or other  
19 similar interaction.

20       (4) "Computer program" means a set of statements or instructions  
21 to be used directly or indirectly in an information processing system  
22 in order to bring about a certain result.

23       (5) "Contract" means the total legal obligation resulting from  
24 the parties' agreement as affected by this chapter and other  
25 applicable law.

26       (6) "Distributed ledger technology" means any distributed ledger  
27 protocol and supporting infrastructure, including blockchain, that  
28 uses a distributed, decentralized, shared, and replicated ledger.

29       (7) "Electronic" means relating to technology having electrical,  
30 digital, magnetic, wireless, optical, electromagnetic, or similar  
31 capabilities, including without limitation blockchain and distributed  
32 ledger technology.

33       (8) "Electronic agent" means a computer program or an electronic  
34 or other automated means used independently to initiate an action or  
35 respond to electronic records or performances in whole or in part,  
36 without review or action by an individual.

37       (9) "Electronic record" means a record created, generated, sent,  
38 communicated, received, or stored by electronic means.

1 (10) "Electronic signature" means an electronic sound, symbol, or  
2 process attached to or logically associated with a record and  
3 executed or adopted by a person with the intent to sign the record.

4 (11) "Governmental agency" means an executive, legislative, or  
5 judicial agency, department, board, commission, authority,  
6 institution, or instrumentality of the federal government or of a  
7 state or of a county, municipality, or other political subdivision of  
8 a state.

9 (12) "Information" means data, text, images, sounds, codes,  
10 computer programs, software, databases, or the like.

11 (13) "Information processing system" means an electronic system  
12 for creating, generating, sending, receiving, storing, displaying, or  
13 processing information.

14 (14) "Person" means an individual, corporation, business trust,  
15 estate, trust, partnership, limited liability company, association,  
16 joint venture, governmental agency, public corporation, or any other  
17 legal or commercial entity.

18 (15) "Record" means information that is inscribed on a tangible  
19 medium or that is stored in an electronic or other medium and is  
20 retrievable in perceivable form.

21 (16) "Security procedure" means a procedure employed for the  
22 purpose of verifying that an electronic signature, record, or  
23 performance is that of a specific person or for detecting changes or  
24 errors in the information in an electronic record. The term includes  
25 a procedure that requires the use of algorithms or other codes,  
26 identifying words or numbers, encryption, or callback or other  
27 acknowledgment procedures.

28 (17) "State" means a state of the United States, the District of  
29 Columbia, Puerto Rico, the United States Virgin Islands, or any  
30 territory or insular possession subject to the jurisdiction of the  
31 United States. The term includes an Indian tribe or band, or Alaskan  
32 native village, which is recognized by federal law or formally  
33 acknowledged by a state.

34 (18) "Transaction" means an action or set of actions occurring  
35 between two or more persons relating to the conduct of business,  
36 commercial, or governmental affairs.

37 NEW SECTION. **Sec. 3.** SCOPE. (1) Except as otherwise provided in  
38 subsection (2) of this section, this chapter applies to electronic  
39 records and electronic signatures relating to a transaction.

1 (2) This chapter does not apply to a transaction to the extent it  
2 is governed by:

3 (a) A law governing the creation and execution of wills,  
4 codicils, or testamentary trusts; and

5 (b) Title 62A RCW other than RCW 62A.1-306 and chapters 62A.2 and  
6 62A.2A RCW.

7 (3) This chapter applies to an electronic record or electronic  
8 signature otherwise excluded from the application of this chapter  
9 under subsection (2) of this section to the extent it is governed by  
10 a law other than those specified in subsection (2) of this section.

11 (4) A transaction subject to this chapter is also subject to  
12 other applicable substantive law.

13 NEW SECTION. **Sec. 4.** PROSPECTIVE APPLICATION. This chapter  
14 applies to any electronic record or electronic signature created,  
15 generated, sent, communicated, received, or stored on or after the  
16 effective date of this section.

17 NEW SECTION. **Sec. 5.** USE OF ELECTRONIC RECORDS AND ELECTRONIC  
18 SIGNATURES—VARIATION BY AGREEMENT. (1) This chapter does not require  
19 a record or signature to be created, generated, sent, communicated,  
20 received, stored, or otherwise processed or used by electronic means  
21 or in electronic form.

22 (2) This chapter applies only to transactions between parties  
23 each of which has agreed to conduct transactions by electronic means.  
24 Whether the parties agree to conduct a transaction by electronic  
25 means is determined from the context and surrounding circumstances,  
26 including the parties' conduct.

27 (3) A party that agrees to conduct a transaction by electronic  
28 means may refuse to conduct other transactions by electronic means.  
29 The right granted by this subsection may not be waived by agreement.

30 (4) Except as otherwise provided in this chapter, the effect of  
31 any of its provisions may be varied by agreement. The presence in  
32 certain provisions of this chapter of the words "unless otherwise  
33 agreed," or words of similar import, does not imply that the effect  
34 of other provisions may not be varied by agreement.

35 (5) Whether an electronic record or electronic signature has  
36 legal consequences is determined by this chapter and other applicable  
37 law.

1        NEW SECTION.    **Sec. 6.**    CONSTRUCTION AND APPLICATION. This chapter  
2 must be construed and applied:

3        (1) To facilitate electronic transactions consistent with other  
4 applicable law;

5        (2) To be consistent with reasonable practices concerning  
6 electronic transactions and with the continued expansion of those  
7 practices; and

8        (3) To effectuate its general purpose to make uniform the law  
9 with respect to the subject of this chapter among states enacting it.

10       NEW SECTION.    **Sec. 7.**    LEGAL RECOGNITION OF ELECTRONIC RECORDS,  
11 ELECTRONIC SIGNATURES, AND ELECTRONIC CONTRACTS. (1) A record or  
12 signature may not be denied legal effect or enforceability solely  
13 because it is in electronic form.

14       (2) A contract may not be denied legal effect or enforceability  
15 solely because an electronic record was used in its formation.

16       (3) If a law requires a record to be in writing, an electronic  
17 record satisfies the law.

18       (4) If a law requires a signature, an electronic signature  
19 satisfies the law.

20       NEW SECTION.    **Sec. 8.**    PROVISION OF INFORMATION IN WRITING—  
21 PRESENTATION OF RECORDS. (1) If parties have agreed to conduct a  
22 transaction by electronic means and a law requires a person to  
23 provide, send, or deliver information in writing to another person,  
24 the requirement is satisfied if the information is provided, sent, or  
25 delivered, as the case may be, in an electronic record capable of  
26 retention by the recipient at the time of receipt. An electronic  
27 record is not capable of retention by the recipient if the sender or  
28 its information processing system inhibits the ability of the  
29 recipient to print or store the electronic record.

30       (2) If a law other than this chapter requires a record (a) to be  
31 posted or displayed in a certain manner, (b) to be sent,  
32 communicated, or transmitted by a specified method, or (c) to contain  
33 information that is formatted in a certain manner, the following  
34 rules apply:

35       (i) The record must be posted or displayed in the manner  
36 specified in the other law.

1 (ii) Except as otherwise provided in subsection (4)(b) of this  
2 section, the record must be sent, communicated, or transmitted by the  
3 method specified in the other law.

4 (iii) The record must contain the information formatted in the  
5 manner specified in the other law.

6 (3) If a sender inhibits the ability of a recipient to store or  
7 print an electronic record, the electronic record is not enforceable  
8 against the recipient.

9 (4) The requirements of this section may not be varied by  
10 agreement, but:

11 (a) To the extent a law other than this chapter requires  
12 information to be provided, sent, or delivered in writing but permits  
13 that requirement to be varied by agreement, the requirement under  
14 subsection (1) of this section that the information be in the form of  
15 an electronic record capable of retention may also be varied by  
16 agreement; and

17 (b) A requirement under a law other than this chapter to send,  
18 communicate, or transmit a record by regular United States mail may  
19 be varied by agreement to the extent permitted by the other law.

20 NEW SECTION. **Sec. 9.** ATTRIBUTION AND EFFECT OF ELECTRONIC  
21 RECORD AND ELECTRONIC SIGNATURE. (1) An electronic record or  
22 electronic signature is attributable to a person if it was the act of  
23 the person. The act of the person may be shown in any manner,  
24 including a showing of the efficacy of any security procedure applied  
25 to determine the person to which the electronic record or electronic  
26 signature was attributable.

27 (2) The effect of an electronic record or electronic signature  
28 attributed to a person under subsection (1) of this section is  
29 determined from the context and surrounding circumstances at the time  
30 of its creation, execution, or adoption, including the parties'  
31 agreement, if any, and otherwise as provided by law.

32 NEW SECTION. **Sec. 10.** EFFECT OF CHANGE OR ERROR. If a change or  
33 error in an electronic record occurs in a transmission between  
34 parties to a transaction, the following rules apply:

35 (1) If the parties have agreed to use a security procedure to  
36 detect changes or errors and one party has conformed to the  
37 procedure, but the other party has not, and the nonconforming party  
38 would have detected the change or error had that party also

1 conformed, the conforming party may avoid the effect of the changed  
2 or erroneous electronic record.

3 (2) In an automated transaction involving an individual, the  
4 individual may avoid the effect of an electronic record that resulted  
5 from an error made by the individual in dealing with the electronic  
6 agent of another person if the electronic agent did not provide an  
7 opportunity for the prevention or correction of the error and, at the  
8 time the individual learns of the error, the individual:

9 (a) Promptly notifies the other person of the error and that the  
10 individual did not intend to be bound by the electronic record  
11 received by the other person;

12 (b) Takes reasonable steps, including steps that conform to the  
13 other person's reasonable instructions, to return to the other person  
14 or, if instructed by the other person, to destroy the consideration  
15 received, if any, as a result of the erroneous electronic record; and

16 (c) Has not used or received any benefit or value from the  
17 consideration, if any, received from the other person.

18 (3) If neither subsection (1) of this section nor subsection (2)  
19 of this section applies, the change or error has the effect provided  
20 by other law, including the law of mistake, and the parties'  
21 contract, if any.

22 (4) Subsections (2) and (3) of this section may not be varied by  
23 agreement.

24 NEW SECTION. **Sec. 11.** NOTARIZATION AND ACKNOWLEDGMENT. If a law  
25 requires a signature or record to be notarized, acknowledged,  
26 verified, or made under oath, the requirement is satisfied if the  
27 electronic signature of the person authorized to perform those acts,  
28 together with all other information required to be included by other  
29 applicable law, is attached to or logically associated with the  
30 signature or record.

31 NEW SECTION. **Sec. 12.** RETENTION OF ELECTRONIC RECORDS—  
32 ORIGINALS. (1) If a law requires that a record be retained, the  
33 requirement is satisfied by retaining an electronic record of the  
34 information in the record which:

35 (a) Accurately reflects the information set forth in the record  
36 after it was first generated in its final form as an electronic  
37 record or otherwise; and

38 (b) Remains accessible for later reference.

1 (2) A requirement to retain a record in accordance with  
2 subsection (1) of this section does not apply to any information the  
3 sole purpose of which is to enable the record to be sent,  
4 communicated, or received.

5 (3) A person may satisfy subsection (1) of this section by using  
6 the services of another person if the requirements of that subsection  
7 are satisfied.

8 (4) If a law requires a record to be presented or retained in its  
9 original form, or provides consequences if the record is not  
10 presented or retained in its original form, that law is satisfied by  
11 an electronic record retained in accordance with subsection (1) of  
12 this section.

13 (5) If a law requires retention of a check, that requirement is  
14 satisfied by retention of an electronic record of the information on  
15 the front and back of the check in accordance with subsection (1) of  
16 this section.

17 (6) A record retained as an electronic record in accordance with  
18 subsection (1) of this section satisfies a law requiring a person to  
19 retain a record for evidentiary, audit, or like purposes, unless a  
20 law enacted after the effective date of this section specifically  
21 prohibits the use of an electronic record for the specified purpose.

22 (7) This section does not preclude a governmental agency of this  
23 state from specifying additional requirements for the retention of a  
24 record subject to the agency's jurisdiction.

25 NEW SECTION. **Sec. 13.** ADMISSIBILITY IN EVIDENCE. In a  
26 proceeding, evidence of a record or signature may not be excluded  
27 solely because it is in electronic form.

28 NEW SECTION. **Sec. 14.** AUTOMATED TRANSACTION. In an automated  
29 transaction, the following rules apply:

30 (1) A contract may be formed by the interaction of electronic  
31 agents of the parties, even if no individual was aware of or reviewed  
32 the electronic agents' actions or the resulting terms and agreements.

33 (2) A contract may be formed by the interaction of an electronic  
34 agent and an individual, acting on the individual's own behalf or for  
35 another person, including by an interaction in which the individual  
36 performs actions that the individual is free to refuse to perform and  
37 which the individual knows or has reason to know will cause the  
38 electronic agent to complete the transaction or performance.



1 (3) The terms of the contract are determined by the substantive  
2 law applicable to it.

3 NEW SECTION. **Sec. 15.** TIME AND PLACE OF SENDING AND RECEIPT.

4 (1) Unless otherwise agreed between the sender and the recipient, an  
5 electronic record is sent when it:

6 (a) Is addressed properly or otherwise directed properly to an  
7 information processing system that the recipient has designated or  
8 uses for the purpose of receiving electronic records or information  
9 of the type sent and from which the recipient is able to retrieve the  
10 electronic record;

11 (b) Is in a form capable of being processed by that system; and

12 (c) Enters an information processing system outside the control  
13 of the sender or of a person that sent the electronic record on  
14 behalf of the sender or enters a region of the information processing  
15 system designated or used by the recipient which is under the control  
16 of the recipient.

17 (2) Unless otherwise agreed between a sender and the recipient,  
18 an electronic record is received when:

19 (a) It enters an information processing system that the recipient  
20 has designated or uses for the purpose of receiving electronic  
21 records or information of the type sent and from which the recipient  
22 is able to retrieve the electronic record; and

23 (b) It is in a form capable of being processed by that system.

24 (3) Subsection (2) of this section applies even if the place the  
25 information processing system is located is different from the place  
26 the electronic record is deemed to be received under subsection (4)  
27 of this section.

28 (4) Unless otherwise expressly provided in the electronic record  
29 or agreed between the sender and the recipient, an electronic record  
30 is deemed to be sent from the sender's place of business and to be  
31 received at the recipient's place of business. For purposes of this  
32 subsection, the following rules apply:

33 (a) If the sender or recipient has more than one place of  
34 business, the place of business of that person is the place having  
35 the closest relationship to the underlying transaction.

36 (b) If the sender or the recipient does not have a place of  
37 business, the place of business is the sender's or recipient's  
38 residence, as the case may be.

1 (5) An electronic record is received under subsection (2) of this  
2 section even if no individual is aware of its receipt.

3 (6) Receipt of an electronic acknowledgment from an information  
4 processing system described in subsection (2) of this section  
5 establishes that a record was received but, by itself, does not  
6 establish that the content sent corresponds to the content received.

7 (7) If a person is aware that an electronic record purportedly  
8 sent under subsection (1) of this section, or purportedly received  
9 under subsection (2) of this section, was not actually sent or  
10 received, the legal effect of the sending or receipt is determined by  
11 other applicable law. Except to the extent permitted by the other  
12 law, the requirements of this subsection may not be varied by  
13 agreement.

14 NEW SECTION. **Sec. 16.** TRANSFERABLE RECORDS. (1) In this  
15 section, "transferable record" means an electronic record that:

16 (a) Would be a note under chapter 62A.3 RCW or a document under  
17 chapter 62A.7 RCW if the electronic record were in writing; and

18 (b) The issuer of the electronic record expressly has agreed is a  
19 transferable record.

20 (2) A person has control of a transferable record if a system  
21 employed for evidencing the transfer of interests in the transferable  
22 record reliably establishes that person as the person to which the  
23 transferable record was issued or transferred.

24 (3) A system satisfies subsection (2) of this section, and a  
25 person is deemed to have control of a transferable record, if the  
26 transferable record is created, stored, and assigned in such a manner  
27 that:

28 (a) A single authoritative copy of the transferable record exists  
29 which is unique, identifiable, and, except as otherwise provided in  
30 (d), (e), and (f) of this subsection, unalterable;

31 (b) The authoritative copy identifies the person asserting  
32 control as:

33 (i) The person to which the transferable record was issued; or

34 (ii) If the authoritative copy indicates that the transferable  
35 record has been transferred, the person to which the transferable  
36 record was most recently transferred;

37 (c) The authoritative copy is communicated to and maintained by  
38 the person asserting control or its designated custodian;

1 (d) Copies or revisions that add or change an identified assignee  
2 of the authoritative copy can be made only with the consent of the  
3 person asserting control;

4 (e) Each copy of the authoritative copy and any copy of a copy is  
5 readily identifiable as a copy that is not the authoritative copy;  
6 and

7 (f) Any revision of the authoritative copy is readily  
8 identifiable as authorized or unauthorized.

9 (4) Except as otherwise agreed, a person having control of a  
10 transferable record is the holder, as defined in RCW  
11 62A.1-201(b)(21), of the transferable record and has the same rights  
12 and defenses as a holder of an equivalent record or writing under the  
13 uniform commercial code including, if the applicable statutory  
14 requirements under RCW 62A.3-302(a), 62A.7-501, or 62A.9A-330 are  
15 satisfied, the rights and defenses of a holder in due course, a  
16 holder to which a negotiable document of title has been duly  
17 negotiated, or a purchaser, respectively. Delivery, possession, and  
18 endorsement are not required to obtain or exercise any of the rights  
19 under this subsection.

20 (5) Except as otherwise agreed, an obligor under a transferable  
21 record has the same rights and defenses as an equivalent obligor  
22 under equivalent records or writings under the uniform commercial  
23 code.

24 (6) If requested by a person against which enforcement is sought,  
25 the person seeking to enforce the transferable record shall provide  
26 reasonable proof that the person is in control of the transferable  
27 record. Proof may include access to the authoritative copy of the  
28 transferable record and related business records sufficient to review  
29 the terms of the transferable record and to establish the identity of  
30 the person having control of the transferable record.

31 NEW SECTION. **Sec. 17.** CREATION AND RETENTION OF ELECTRONIC  
32 RECORDS AND CONVERSION OF WRITTEN RECORDS BY GOVERNMENTAL AGENCIES.  
33 Each governmental agency of this state shall determine whether, and  
34 the extent to which, a governmental agency will create and retain  
35 electronic records and convert written records to electronic records.

36 NEW SECTION. **Sec. 18.** ACCEPTANCE AND DISTRIBUTION OF ELECTRONIC  
37 RECORDS BY GOVERNMENTAL AGENCIES. (1) Except as otherwise provided in  
38 section 12(6) of this act, each governmental agency of this state

1 shall determine whether, and the extent to which, a governmental  
2 agency will send and accept electronic records and electronic  
3 signatures to and from other persons and otherwise create, generate,  
4 communicate, store, process, use, and rely upon electronic records  
5 and electronic signatures.

6 (2) To the extent that a governmental agency uses electronic  
7 records and electronic signatures under subsection (1) of this  
8 section, the governmental agency, giving due consideration to  
9 security, may specify:

10 (a) The manner and format in which the electronic records must be  
11 created, generated, sent, communicated, received, and stored and the  
12 systems established for those purposes;

13 (b) If electronic records must be signed by electronic means, the  
14 type of electronic signature required, the manner and format in which  
15 the electronic signature must be affixed to the electronic record,  
16 and the identity of, or criteria that must be met by, any third party  
17 used by a person filing a document to facilitate the process;

18 (c) Control processes and procedures as appropriate to ensure  
19 adequate preservation, disposition, integrity, security,  
20 confidentiality, and auditability of electronic records; and

21 (d) Any other required attributes for electronic records which  
22 are specified for corresponding nonelectronic records or reasonably  
23 necessary under the circumstances.

24 (3) Except as otherwise provided in section 12(6) of this act,  
25 this chapter does not require a governmental agency of this state to  
26 use or permit the use of electronic records or electronic signatures.

27 NEW SECTION. **Sec. 19.** INTEROPERABILITY. The governmental agency  
28 of this state which adopts standards pursuant to section 18 of this  
29 act may encourage and promote consistency and interoperability with  
30 similar requirements adopted by other governmental agencies of this  
31 and other states and the federal government and nongovernmental  
32 persons interacting with governmental agencies of this state. If  
33 appropriate, those standards may specify differing levels of  
34 standards from which governmental agencies of this state may choose  
35 in implementing the most appropriate standard for a particular  
36 application.

37 NEW SECTION. **Sec. 20.** RELATION TO ELECTRONIC SIGNATURES IN  
38 GLOBAL AND NATIONAL COMMERCE ACT. This chapter modifies, limits, and

1 supersedes the electronic signatures in global and national commerce  
2 act, 15 U.S.C. Sec. 7001 et seq., but does not modify, limit, or  
3 supersede section 101(c) of that act, 15 U.S.C. Sec. 7001(c), or  
4 authorize electronic delivery of any of the notices described in  
5 section 103(b) of that act, 15 U.S.C. Sec. 7003(b).

6 **Sec. 21.** RCW 4.92.100 and 2013 c 188 s 1 are each amended to  
7 read as follows:

8 (1) All claims against the state, or against the state's  
9 officers, employees, or volunteers, acting in such capacity, for  
10 damages arising out of tortious conduct, must be presented to the  
11 office of risk management. A claim is deemed presented when the claim  
12 form is delivered in person or by regular mail, registered mail, or  
13 certified mail, with return receipt requested, or as an attachment to  
14 (~~electronic mail~~) email or by fax, to the office of risk  
15 management. For claims for damages presented after July 26, 2009, all  
16 claims for damages must be presented on the standard tort claim form  
17 that is maintained by the office of risk management. The standard  
18 tort claim form must be posted on the department of enterprise  
19 services' web site.

20 (a) The standard tort claim form must, at a minimum, require the  
21 following information:

22 (i) The claimant's name, date of birth, and contact information;

23 (ii) A description of the conduct and the circumstances that  
24 brought about the injury or damage;

25 (iii) A description of the injury or damage;

26 (iv) A statement of the time and place that the injury or damage  
27 occurred;

28 (v) A listing of the names of all persons involved and contact  
29 information, if known;

30 (vi) A statement of the amount of damages claimed; and

31 (vii) A statement of the actual residence of the claimant at the  
32 time of presenting the claim and at the time the claim arose.

33 (b) (i) The standard tort claim form must be signed either:

34 (A) By the claimant, verifying the claim;

35 (B) Pursuant to a written power of attorney, by the attorney-in-  
36 fact for the claimant;

37 (C) By an attorney admitted to practice in Washington state on  
38 the claimant's behalf; or

1 (D) By a court-approved guardian or guardian ad litem on behalf  
2 of the claimant.

3 (ii) For the purpose of this subsection (1)(b), when the claim  
4 form is presented electronically it must bear an electronic signature  
5 in lieu of a written original signature. (~~An electronic signature~~  
6 ~~means a facsimile of an original signature that is affixed to the~~  
7 ~~claim form and executed or adopted by the person with the intent to~~  
8 ~~sign the document.~~)

9 (iii) When an electronic signature is used and the claim is  
10 submitted as an attachment to (~~electronic mail~~) email, the  
11 conveyance of that claim must include the date, time the claim was  
12 presented, and the internet provider's address from which it was  
13 sent. The attached claim form must be a format approved by the office  
14 of risk management.

15 (iv) When an electronic signature is used and the claim is  
16 submitted via a facsimile machine, the conveyance must include the  
17 date, time the claim was submitted, and the fax number from which it  
18 was sent.

19 (v) In the event of a question on an electronic signature, the  
20 claimant shall have an opportunity to cure and the cured notice shall  
21 relate back to the date of the original filing.

22 (c) The amount of damages stated on the claim form is not  
23 admissible at trial.

24 (2) The state shall make available the standard tort claim form  
25 described in this section with instructions on how the form is to be  
26 presented and the name, address, and business hours of the office of  
27 risk management. The standard tort claim form must not list the  
28 claimant's social security number and must not require information  
29 not specified under this section. The claim form and the instructions  
30 for completing the claim form must provide the United States mail,  
31 physical, and electronic addresses and numbers where the claim can be  
32 presented.

33 (3) With respect to the content of claims under this section and  
34 all procedural requirements in this section, this section must be  
35 liberally construed so that substantial compliance will be deemed  
36 satisfactory.

37 **Sec. 22.** RCW 5.50.010 and 2019 c 232 s 1 are each amended to  
38 read as follows:

39 In this chapter:

1 (1) "Law" includes a statute, judicial decision or order, rule of  
2 court, executive order, and administrative rule, regulation, or  
3 order.

4 (2) "Record" means information that is inscribed on a tangible  
5 medium or that is stored in an electronic or other medium and is  
6 retrievable in perceivable form.

7 (3) "Sign" means, with present intent to authenticate or adopt a  
8 record:

9 (a) To execute or adopt a tangible symbol;

10 (b) To attach to or logically associate with the record an  
11 electronic symbol, sound, or process;

12 (c) To affix or place the declarant's signature as defined in RCW  
13 9A.04.110 on the record;

14 (d) ~~((To attach or logically associate the declarant's digital  
15 signature or electronic signature as defined in RCW 19.34.020 to the  
16 record;~~

17 ~~(e))~~ To affix or logically associate the declarant's signature  
18 in the manner described in general rule 30 to the record if he or she  
19 is a licensed attorney; or

20 ~~((f))~~ (e) To affix or logically associate the declarant's full  
21 name, department or agency, and badge or personnel number to any  
22 record that is electronically submitted to a court, a prosecutor, or  
23 a magistrate from an electronic device that is owned, issued, or  
24 maintained by a criminal justice agency if the declarant is a law  
25 enforcement officer.

26 (4) "Sworn declaration" means a declaration in a signed record  
27 given under oath. The term includes a sworn statement, verification,  
28 certificate, and affidavit.

29 (5) "Unsworn declaration" means a declaration in a signed record  
30 not given under oath but given under penalty of perjury. The term  
31 includes an unsworn statement, verification, and certificate.

32 **Sec. 23.** RCW 5.50.030 and 2011 c 22 s 4 are each amended to read  
33 as follows:

34 (1) Except as otherwise provided in subsection (2) of this  
35 section, if a law of this state requires or permits use of a sworn  
36 declaration, an unsworn declaration meeting the requirements of this  
37 chapter has the same effect as a sworn declaration.

38 (2) This chapter does not apply to:

39 (a) A deposition;

- 1 (b) An oath of office;  
2 (c) An oath required to be given before a specified official  
3 other than a notary public; or  
4 (d) A declaration to be recorded pursuant to Title 64 or 65  
5 RCW(~~;~~~~or~~  
6 ~~(e) An oath required by RCW 11.20.020~~)).

7 **Sec. 24.** RCW 9.38.060 and 2019 c 132 s 1 are each amended to  
8 read as follows:

9 (1) A person shall not knowingly misrepresent the person's  
10 identity or authorization to obtain a public key certificate used to  
11 reference a private key for creating a digital signature.

12 (2) A person shall not knowingly forge ((a)) an electronic or  
13 digital signature.

14 (3) A person shall not knowingly present a public key certificate  
15 for which the person is not the owner of the corresponding private  
16 key in order to obtain unauthorized access to information or engage  
17 in an unauthorized transaction.

18 (4) A person who violates this section is guilty of a class C  
19 felony punishable under chapter 9A.20 RCW.

20 (5) (a) "Digital signature" means an electronic signature that is  
21 a transformation of a message using an asymmetric cryptosystem such  
22 that a person who has the initial message and the signer's public key  
23 can accurately determine whether the:

24 ((a)) (i) Transformation was created using the private key that  
25 corresponds to the signer's public key; and

26 ((b)) (ii) Initial message has been altered since the  
27 transformation was made.

28 (b) "Electronic signature" has the meaning provided in section 2  
29 of this act.

30 **Sec. 25.** RCW 9A.72.085 and 2019 c 132 s 2 are each amended to  
31 read as follows:

32 (1) Whenever, under any law of this state or under any rule,  
33 order, or requirement made under the law of this state, any matter in  
34 an official proceeding is required or permitted to be supported,  
35 evidenced, established, or proved by a person's sworn written  
36 statement, declaration, verification, certificate, oath, or  
37 affidavit, the matter may with like force and effect be supported,  
38 evidenced, established, or proved in the official proceeding by an



1 unsworn written statement, declaration, verification, or certificate,  
2 which:

3 (a) Recites that it is certified or declared by the person to be  
4 true under penalty of perjury;

5 (b) Is subscribed by the person;

6 (c) States the date and place of its execution; and

7 (d) States that it is so certified or declared under the laws of  
8 the state of Washington.

9 (2) The certification or declaration may be in substantially the  
10 following form:

"I certify (or declare) under penalty of perjury under  
the laws of the State of Washington that the foregoing is  
true and correct":

.....

(Date and Place) (Signature)

16 (3) For purposes of this section, a person subscribes to an  
17 unsworn written statement, declaration, verification, or certificate  
18 by:

19 (a) Affixing or placing his or her signature as defined in RCW  
20 9A.04.110 on the document;

21 (b) Attaching or logically associating his or her (~~digital~~  
22 ~~signature or~~) electronic signature to the document;

23 (c) Affixing or logically associating his or her signature in the  
24 manner described in general rule 30 to the document if he or she is a  
25 licensed attorney; or

26 (d) Affixing or logically associating his or her full name,  
27 department or agency, and badge or personnel number to any document  
28 that is electronically submitted to a court, a prosecutor, or a  
29 magistrate from an electronic device that is owned, issued, or  
30 maintained by a criminal justice agency if he or she is a law  
31 enforcement officer.

32 (4) This section does not apply to writings requiring an  
33 acknowledgment, depositions, oaths of office, or oaths required to be  
34 taken before a special official other than a notary public.

35 ~~((5) "Digital signature" means an electronic signature that is a~~  
36 ~~transformation of a message using an asymmetric cryptosystem such~~  
37 ~~that a person who has the initial message and the signer's public key~~  
38 ~~can accurately determine whether the:~~

1       ~~(a) Transformation was created using the private key that~~  
2 ~~corresponds to the signer's public key; and~~

3       ~~(b) Initial message has been altered since the transformation was~~  
4 ~~made.~~

5       ~~(6) "Electronic signature" has the same meaning as in RCW~~  
6 ~~19.360.030.)~~

7       **Sec. 26.** RCW 10.79.080 and 1983 1st ex.s. c 42 s 3 are each  
8 amended to read as follows:

9       (1) No person may be subjected to a body cavity search by or at  
10 the direction of a law enforcement agency unless a search warrant is  
11 issued pursuant to superior court criminal rules.

12       (2) No law enforcement officer may seek a warrant for a body  
13 cavity search without first obtaining specific authorization for the  
14 body cavity search from the ranking shift supervisor of the law  
15 enforcement authority. Authorization for the body cavity search may  
16 be obtained electronically(~~(: PROVIDED, That such electronic~~  
17 ~~authorization shall be reduced to writing by the law enforcement~~  
18 ~~officer seeking the authorization and signed by the ranking~~  
19 ~~supervisor as soon as possible thereafter)).~~

20       (3) Before any body cavity search is authorized or conducted, a  
21 thorough pat-down search, a thorough electronic metal-detector  
22 search, and a thorough clothing search, where appropriate, must be  
23 used to search for and seize any evidence of a crime, contraband,  
24 fruits of crime, things otherwise criminally possessed, weapons, or  
25 other things by means of which a crime has been committed or  
26 reasonably appears about to be committed. No body cavity search shall  
27 be authorized or conducted unless these other methods do not satisfy  
28 the safety, security, or evidentiary concerns of the law enforcement  
29 agency.

30       (4) A law enforcement officer requesting a body cavity search  
31 shall prepare and sign a report regarding the body cavity search. The  
32 report shall include:

33       (a) A copy of the written authorization required under subsection  
34 (2) of this section;

35       (b) A copy of the warrant and any supporting documents required  
36 under subsection (1) of this section;

37       (c) The name and sex of all persons conducting or observing the  
38 search;

39       (d) The time, date, place, and description of the search; and

1 (e) A statement of the results of the search and a list of any  
2 items removed from the person as a result of the search.

3 The report shall be retained as part of the law enforcement  
4 agency's records.

5 **Sec. 27.** RCW 18.27.114 and 2007 c 436 s 8 are each amended to  
6 read as follows:

7 (1) Any contractor agreeing to perform any contracting project:

8 (a) For the repair, alteration, or construction of four or fewer  
9 residential units or accessory structures on such residential  
10 property when the bid or contract price totals one thousand dollars  
11 or more; or (b) for the repair, alteration, or construction of a  
12 commercial building when the bid or contract price totals one  
13 thousand dollars or more but less than sixty thousand dollars, must  
14 provide the customer with the following disclosure statement in  
15 substantially the following form using lower case and upper case  
16 twelve-point and bold type where appropriate, prior to starting work  
17 on the project:

18 "NOTICE TO CUSTOMER

19 This contractor is registered with the state of Washington,  
20 registration no. . . . , and has posted with the state a bond  
21 or deposit of . . . . for the purpose of satisfying claims  
22 against the contractor for breach of contract including  
23 negligent or improper work in the conduct of the contractor's  
24 business. The expiration date of this contractor's  
25 registration is . . . . .

26 **THIS BOND OR DEPOSIT MIGHT NOT BE SUFFICIENT TO COVER A CLAIM**  
27 **THAT MIGHT ARISE FROM THE WORK DONE UNDER YOUR CONTRACT.**

28 This bond or deposit is not for your exclusive use because it  
29 covers all work performed by this contractor. The bond or  
30 deposit is intended to pay valid claims up to . . . . that  
31 you and other customers, suppliers, subcontractors, or taxing  
32 authorities may have.

33 **FOR GREATER PROTECTION YOU MAY WITHHOLD A PERCENTAGE OF YOUR**  
34 **CONTRACT.**

35 You may withhold a contractually defined percentage of your  
36 construction contract as retainage for a stated period of

1 time to provide protection to you and help insure that your  
2 project will be completed as required by your contract.

3 **YOUR PROPERTY MAY BE LIENED.**

4 If a supplier of materials used in your construction project  
5 or an employee or subcontractor of your contractor or  
6 subcontractors is not paid, your property may be liened to  
7 force payment and you could pay twice for the same work.

8 **FOR ADDITIONAL PROTECTION, YOU MAY REQUEST THE CONTRACTOR TO**  
9 **PROVIDE YOU WITH ORIGINAL "LIEN RELEASE" DOCUMENTS FROM EACH**  
10 **SUPPLIER OR SUBCONTRACTOR ON YOUR PROJECT.**

11 The contractor is required to provide you with further  
12 information about lien release documents if you request it.  
13 General information is also available from the state  
14 Department of Labor and Industries.

15 I have received a copy of this disclosure statement.

16 . . . . .

17 (Signature of customer)"

18 (2) The contractor must retain a signed copy of the disclosure  
19 statement in his or her files for a minimum of three years, and  
20 produce a ((signed or electronic signature)) copy of the signed  
21 disclosure statement to the department upon request.

22 (3) A contractor subject to this section shall notify any  
23 consumer to whom notice is required under subsection (1) of this  
24 section if the contractor's registration has expired or is revoked or  
25 suspended by the department prior to completion or other termination  
26 of the contract with the consumer.

27 (4) No contractor subject to this section may bring or maintain  
28 any lien claim under chapter 60.04 RCW based on any contract to which  
29 this section applies without alleging and proving that the contractor  
30 has provided the customer with a copy of the disclosure statement as  
31 required in subsection (1) of this section.

32 (5) This section does not apply to contracts authorized under  
33 chapter 39.04 RCW or to contractors contracting with other  
34 contractors.

35 (6) Failure to comply with this section shall constitute an  
36 infraction under the provisions of this chapter.

1 (7) The department shall produce model disclosure statements, and  
2 public service announcements detailing the information needed to  
3 assist contractors and contractors' customers to comply under this  
4 section. As necessary, the department shall periodically update these  
5 education materials.

6 **Sec. 28.** RCW 18.64.550 and 2016 c 148 s 2 are each amended to  
7 read as follows:

8 (1) A chart order must be considered a prescription if it  
9 contains:

10 (a) The full name of the patient;

11 (b) The date of issuance;

12 (c) The name, strength, and dosage form of the drug prescribed;

13 (d) Directions for use; and

14 (e) An authorized signature(~~(~~

15 ~~(i) For written orders,~~)). The order must contain the prescribing  
16 practitioner's signature or the signature of the practitioner's  
17 authorized agent, including the name of the prescribing  
18 practitioner(~~(; or~~

19 ~~(ii) For electronic or digital orders, the order must contain the~~  
20 ~~prescribing practitioner's electronic or digital signature, or the~~  
21 ~~electronic or digital signature of the practitioner's authorized~~  
22 ~~agent, including the name of the prescribing practitioner)).~~

23 (2) A licensed nurse, pharmacist, or physician practicing in a  
24 long-term care facility or hospice program may act as the  
25 practitioner's agent for purposes of this chapter, without need for a  
26 written agency agreement, to document a chart order in the patient's  
27 medical record on behalf of the prescribing practitioner pending the  
28 prescribing practitioner's signature; or to communicate a  
29 prescription to a pharmacy whether telephonically, via facsimile, or  
30 electronically. The communication of a prescription to a dispenser by  
31 the prescriber's agent has the same force and effect as if  
32 communicated directly by the authorized practitioner.

33 (3) Nothing in this chapter prevents an authorized credentialed  
34 employee of a long-term care facility from transmitting a chart order  
35 pursuant to RCW 74.42.230, or transmitting a prescription on behalf  
36 of a resident to the extent otherwise authorized by law.

37 **Sec. 29.** RCW 19.09.020 and 2011 c 199 s 2 and 2011 c 60 s 9 are  
38 each reenacted and amended to read as follows:

1 When used in this chapter, unless the context otherwise requires:

2 (1) A "bona fide officer or employee" of a charitable  
3 organization is one (a) whose conduct is subject to direct control by  
4 such organization; (b) who does not act in the manner of an  
5 independent contractor in his or her relation with the organization;  
6 and (c) whose compensation is not computed on funds raised or to be  
7 raised.

8 (2) "Charitable organization" means any entity that solicits or  
9 collects contributions from the general public where the contribution  
10 is or is purported to be used to support a charitable purpose, but  
11 does not include any commercial fund-raiser, commercial fund-raising  
12 entity, commercial coventurer, or any fund-raising counsel, as  
13 defined in this section. Churches and their integrated auxiliaries,  
14 and political organizations are not charitable organizations, but all  
15 are subject to RCW 19.09.100 (15) through (18).

16 (3) "Charitable purpose" means any religious, charitable,  
17 scientific, testing for public safety, literary, or educational  
18 purpose or any other purpose that is beneficial to the community,  
19 including environmental, humanitarian, patriotic, or civic purposes,  
20 the support of national or international amateur sports competition,  
21 the prevention of cruelty to children or animals, the advancement of  
22 social welfare, or the benefit of law enforcement personnel,  
23 firefighters, and other persons who protect public safety. The term  
24 "charitable" is used in its generally accepted legal sense and  
25 includes relief of the poor, the distressed, or the underprivileged;  
26 advancement of religion; advancement of education or science;  
27 erecting or maintaining public buildings, monuments, or works;  
28 lessening the burdens of government; lessening neighborhood tensions;  
29 eliminating prejudice and discrimination; defending human and civil  
30 rights secured by law; and combating community deterioration and  
31 juvenile delinquency.

32 (4) "Commercial coventurer" means any individual or corporation,  
33 partnership, sole proprietorship, limited liability company, limited  
34 partnership, limited liability partnership, or any other legal  
35 entity, that:

36 (a) Is regularly and primarily engaged in making sales of goods  
37 or services for profit directly to the general public;

38 (b) Is not otherwise regularly or primarily engaged in making  
39 solicitations in this state or otherwise raising funds in this state  
40 for one or more charitable organizations;

1 (c) Represents to prospective purchasers that, if they purchase a  
2 good or service from the commercial coventurer, a portion of the  
3 sales price or a sum of money or some other specified thing of value  
4 will be donated to a named charitable organization; and

5 (d) Does not ask purchasers to make checks or other instruments  
6 payable to a named charitable organization or any entity other than  
7 the commercial coventurer itself under its regular commercial name.

8 (5) "Commercial fund-raiser" or "commercial fund-raising entity"  
9 means any entity that for compensation or other consideration  
10 directly or indirectly solicits or receives contributions within this  
11 state for or on behalf of any charitable organization or charitable  
12 purpose, or that is engaged in the business of, or represents to  
13 persons in this state as independently engaged in the business of,  
14 soliciting or receiving contributions for such purposes. However, a  
15 commercial coventurer, fund-raising counsel, or consultant is not a  
16 commercial fund-raiser or commercial fund-raising entity.

17 (6) "Compensation" means salaries, wages, fees, commissions, or  
18 any other remuneration or valuable consideration.

19 (7) "Contribution" means the payment, donation, or promise, for  
20 consideration or otherwise, of any money or property of any kind or  
21 value which contribution is wholly or partly induced by a  
22 solicitation. Reference to dollar amounts of "contributions" or  
23 "solicitations" in this chapter means in the case of payments or  
24 promises to pay for merchandise or rights of any description, the  
25 value of the total amount paid or promised to be paid for such  
26 merchandise or rights.

27 (8) "Cost of solicitation" means and includes all direct and  
28 indirect costs, expenditures, debts, obligations, salaries, wages,  
29 commissions, fees, or other money or thing of value paid or incurred  
30 in making a solicitation.

31 (9) "Entity" means an individual, organization, group,  
32 association, partnership, corporation, agency or unit of state  
33 government, or any combination thereof.

34 (10) "Fund-raising counsel" or "consultant" means any entity or  
35 individual who is retained by a charitable organization, for a fixed  
36 fee or rate, that is not computed on a percentage of funds raised, or  
37 to be raised, under a written agreement only to plan, advise,  
38 consult, or prepare materials for a solicitation of contributions in  
39 this state, but who does not manage, conduct, or carry on a  
40 fund-raising campaign and who does not solicit contributions or

1 employ, procure, or engage any compensated person to solicit  
2 contributions, and who does not at any time have custody or control  
3 of contributions. A volunteer, employee, or salaried officer of a  
4 charitable organization maintaining a permanent establishment or  
5 office in this state is not a fund-raising counsel. An attorney,  
6 investment counselor, or banker who advises an individual,  
7 corporation, or association to make a charitable contribution is not  
8 a fund-raising counsel as a result of the advice.

9 (11) "General public" or "public" means any individual or entity  
10 located in Washington state without a membership or other official  
11 relationship with a charitable organization before a solicitation by  
12 the charitable organization.

13 (12) "Gross revenue" or "annual gross revenue" means, for any  
14 accounting period, the total value of revenue, excluding unrealized  
15 capital gains, but including noncash contributions of tangible,  
16 personal property received by or on behalf of a charitable  
17 organization from all sources, without subtracting any costs or  
18 expenses.

19 (13) "Membership" means that for the payment of fees, dues,  
20 assessments, etc., an organization provides services and confers a  
21 bona fide right, privilege, professional standing, honor, or other  
22 direct benefit, in addition to the right to vote, elect officers, or  
23 hold office. The term "membership" does not include those persons who  
24 are granted a membership upon making a contribution as the result of  
25 solicitation.

26 (14) "Other employee" of a charitable organization means any  
27 person (a) whose conduct is subject to direct control by such  
28 organization; (b) who does not act in the manner of any independent  
29 contractor in his or her relation with the organization; and (c) who  
30 is not engaged in the business of or held out to persons in this  
31 state as independently engaged in the business of soliciting  
32 contributions for charitable purposes or religious activities.

33 (15) "Political organization" means those organizations whose  
34 activities are subject to chapter 42.17A RCW or the federal elections  
35 campaign act of 1971, as amended.

36 (16) "Religious organization" means those entities that are not  
37 churches or integrated auxiliaries and includes nondenominational  
38 ministries, interdenominational and ecumenical organizations, mission  
39 organizations, speakers' organizations, faith-based social agencies,



1 and other entities whose principal purpose is the study, practice, or  
2 advancement of religion.

3 (17) "Secretary" means the secretary of state.

4 (18) (~~"Signed" means hand-written, or, if the secretary adopts~~  
5 ~~rules facilitating electronic filing that pertain to this chapter, in~~  
6 ~~the manner prescribed by those rules.~~) "Sign" means, with present  
7 intent to authenticate or adopt a record:

8 (a) To execute or adopt a tangible symbol; or

9 (b) To attach to or logically associate with the record an  
10 electronic symbol, sound, or process.

11 (19) (a) "Solicitation" means any oral or written request for a  
12 contribution, including the solicitor's offer or attempt to sell any  
13 property, rights, services, or other thing in connection with which:

14 (i) Any appeal is made for any charitable purpose;

15 (ii) The name of any charitable organization is used as an  
16 inducement for consummating the sale; or

17 (iii) Any statement is made that implies that the whole or any  
18 part of the proceeds from the sale will be applied toward any  
19 charitable purpose or donated to any charitable organization.

20 (b) The solicitation shall be deemed completed when made, whether  
21 or not the person making it receives any contribution or makes any  
22 sale.

23 (c) "Solicitation" does not include bingo activities, raffles,  
24 and amusement games conducted under chapter 9.46 RCW and applicable  
25 rules of the Washington state gambling commission.

26 (20) "Solicitation report" means the financial information the  
27 secretary requires pursuant to RCW 19.09.075 or 19.09.079.

28 **Sec. 30.** RCW 23.95.105 and 2019 c 37 s 1401 are each amended to  
29 read as follows:

30 The definitions in this section apply throughout this chapter  
31 unless the context clearly requires otherwise or as set forth in RCW  
32 23.95.400 or 23.95.600.

33 (1) "Annual report" means the report required by RCW 23.95.255.

34 (2) "Business corporation" means a domestic business corporation  
35 incorporated under or subject to Title 23B RCW or a foreign business  
36 corporation.

37 (3) "Commercial registered agent" means a person listed under RCW  
38 23.95.420.

1 (4) "Domestic," with respect to an entity, means governed as to  
2 its internal affairs by the law of this state.

3 (5) "Electronic transmission" means an electronic communication:  
4 (a) Not directly involving the physical transfer of a record in a  
5 tangible medium; and  
6 (b) That may be retained, retrieved, and reviewed by the sender  
7 and the recipient thereof, and that may be directly reproduced in a  
8 tangible medium by such a sender and recipient.

9 (6) "Entity" means:  
10 (a) A business corporation;  
11 (b) A nonprofit corporation;  
12 (c) A limited liability partnership;  
13 (d) A limited partnership;  
14 (e) A limited liability company;  
15 (f) A general cooperative association; or  
16 (g) A limited cooperative association.

17 (7) "Entity filing" means a record delivered to the secretary of  
18 state for filing pursuant to this chapter.

19 (8) "Execute," "executes," or "executed" means with present  
20 intent to authenticate or adopt a record:  
21 (a) (~~(Signed with respect to a written record)~~) To sign or adopt  
22 a tangible symbol;  
23 (b) (~~(Electronically transmitted along with sufficient~~  
24 ~~information to determine the sender's identity with respect to an~~  
25 ~~electronic transmission)~~) To attach to or logically associate with  
26 the record an electronic symbol, sound, or process; or  
27 (c) With respect to a record to be filed with the secretary of  
28 state, in compliance with the standards for filing with the office of  
29 the secretary of state as prescribed by the secretary of state.

30 (9) "Filed record" means a record filed by the secretary of state  
31 pursuant to this chapter.

32 (10) "Foreign," with respect to an entity, means governed as to  
33 its internal affairs by the law of a jurisdiction other than this  
34 state.

35 (11) "General cooperative association" means a domestic general  
36 cooperative association formed under or subject to chapter 23.86 RCW.

37 (12) "Governor" means:  
38 (a) A director of a business corporation;  
39 (b) A director of a nonprofit corporation;  
40 (c) A partner of a limited liability partnership;

1 (d) A general partner of a limited partnership;  
2 (e) A manager of a manager-managed limited liability company;  
3 (f) A member of a member-managed limited liability company;  
4 (g) A director of a general cooperative association;  
5 (h) A director of a limited cooperative association; or  
6 (i) Any other person under whose authority the powers of an  
7 entity are exercised and under whose direction the activities and  
8 affairs of the entity are managed pursuant to the organic law and  
9 organic rules of the entity.

10 (13) "Interest" means:

11 (a) A share in a business corporation;  
12 (b) A membership in a nonprofit corporation;  
13 (c) A share in a nonprofit corporation formed under chapter 24.06  
14 RCW;  
15 (d) A partnership interest in a limited liability partnership;  
16 (e) A partnership interest in a limited partnership;  
17 (f) A limited liability company interest;  
18 (g) A share or membership in a general cooperative association;  
19 or  
20 (h) A member's interest in a limited cooperative association.

21 (14) "Interest holder" means:

22 (a) A shareholder of a business corporation;  
23 (b) A member of a nonprofit corporation;  
24 (c) A shareholder of a nonprofit corporation formed under chapter  
25 24.06 RCW;  
26 (d) A partner of a limited liability partnership;  
27 (e) A general partner of a limited partnership;  
28 (f) A limited partner of a limited partnership;  
29 (g) A member of a limited liability company;  
30 (h) A shareholder or member of a general cooperative association;  
31 or  
32 (i) A member of a limited cooperative association.

33 (15) "Jurisdiction," when used to refer to a political entity,  
34 means the United States, a state, a foreign country, or a political  
35 subdivision of a foreign country.

36 (16) "Jurisdiction of formation" means the jurisdiction whose law  
37 includes the organic law of an entity.

38 (17) "Limited cooperative association" means a domestic limited  
39 cooperative association formed under or subject to chapter 23.100 RCW  
40 or a foreign limited cooperative association.

1 (18) "Limited liability company" means a domestic limited  
2 liability company formed under or subject to chapter 25.15 RCW or a  
3 foreign limited liability company.

4 (19) "Limited liability limited partnership" means a domestic  
5 limited liability limited partnership formed under or subject to  
6 chapter 25.10 RCW or a foreign limited liability limited partnership.

7 (20) "Limited liability partnership" means a domestic limited  
8 liability partnership registered under or subject to chapter 25.05  
9 RCW or a foreign limited liability partnership.

10 (21) "Limited partnership" means a domestic limited partnership  
11 formed under or subject to chapter 25.10 RCW or a foreign limited  
12 partnership. "Limited partnership" includes a limited liability  
13 limited partnership.

14 (22) "Noncommercial registered agent" means a person that is not  
15 a commercial registered agent and is:

16 (a) An individual or domestic or foreign entity that serves in  
17 this state as the registered agent of an entity;

18 (b) An individual who holds the office or other position in an  
19 entity which is designated as the registered agent pursuant to RCW  
20 23.95.415(1)(b)(ii); or

21 (c) A government, governmental subdivision, agency, or  
22 instrumentality, or a separate legal entity comprised of two or more  
23 of these entities, that serves as the registered agent of an entity.

24 (23) "Nonprofit corporation" means a domestic nonprofit  
25 corporation incorporated under or subject to chapter 24.03 or 24.06  
26 RCW or a foreign nonprofit corporation.

27 (24) "Nonregistered foreign entity" means a foreign entity that  
28 is not registered to do business in this state pursuant to a  
29 statement of registration filed by the secretary of state.

30 (25) "Organic law" means the law of an entity's jurisdiction of  
31 formation governing the internal affairs of the entity.

32 (26) "Organic rules" means the public organic record and private  
33 organic rules of an entity.

34 (27) "Person" means an individual, business corporation,  
35 nonprofit corporation, partnership, limited partnership, limited  
36 liability company, general cooperative association, limited  
37 cooperative association, unincorporated nonprofit association,  
38 statutory trust, business trust, common-law business trust, estate,  
39 trust, association, joint venture, public corporation, government or

1 governmental subdivision, agency, or instrumentality, or any other  
2 legal or commercial entity.

3 (28) "Principal office" means the principal executive office of  
4 an entity, whether or not the office is located in this state.

5 (29) "Private organic rules" means the rules, whether or not in a  
6 record, that govern the internal affairs of an entity, are binding on  
7 all its interest holders, and are not part of its public organic  
8 record, if any. "Private organic rules" includes:

9 (a) The bylaws of a business corporation and any agreement among  
10 shareholders pursuant to RCW 23B.07.320;

11 (b) The bylaws of a nonprofit corporation;

12 (c) The partnership agreement of a limited liability partnership;

13 (d) The partnership agreement of a limited partnership;

14 (e) The limited liability company agreement;

15 (f) The bylaws of a general cooperative association; and

16 (g) The bylaws of a limited cooperative association.

17 (30) "Proceeding" means civil suit and criminal, administrative,  
18 and investigatory action.

19 (31) "Property" means all property, whether real, personal, or  
20 mixed or tangible or intangible, or any right or interest therein.

21 (32) "Public organic record" means the record the filing of which  
22 by the secretary of state is required to form an entity and any  
23 amendment to or restatement of that record. The term includes:

24 (a) The articles of incorporation of a business corporation;

25 (b) The articles of incorporation of a nonprofit corporation;

26 (c) The certificate of limited partnership of a limited  
27 partnership;

28 (d) The certificate of formation of a limited liability company;

29 (e) The articles of incorporation of a general cooperative  
30 association;

31 (f) The articles of organization of a limited cooperative  
32 association; and

33 (g) The document under the laws of another jurisdiction that is  
34 equivalent to a document listed in this subsection.

35 (33) "Receipt," as used in this chapter, means actual receipt.  
36 "Receive" has a corresponding meaning.

37 (34) "Record" means information that is inscribed on a tangible  
38 medium or (~~contained in an electronic transmission~~) that is stored  
39 in an electronic or other medium and is retrievable in perceivable  
40 form.

1 (35) "Registered agent" means an agent of an entity which is  
2 authorized to receive service of any process, notice, or demand  
3 required or permitted by law to be served on the entity. The term  
4 includes a commercial registered agent and a noncommercial registered  
5 agent.

6 (36) "Registered foreign entity" means a foreign entity that is  
7 registered to do business in this state pursuant to a certificate of  
8 registration filed by the secretary of state.

9 (37) "State" means a state of the United States, the District of  
10 Columbia, Puerto Rico, the United States Virgin Islands, or any  
11 territory or insular possession subject to the jurisdiction of the  
12 United States.

13 (38) "Tangible medium" means a writing, copy of a writing,  
14 facsimile, or a physical reproduction, each on paper or on other  
15 tangible material.

16 (39) "Transfer" includes:

- 17 (a) An assignment;
- 18 (b) A conveyance;
- 19 (c) A sale;
- 20 (d) A lease;
- 21 (e) An encumbrance, including a mortgage or security interest;
- 22 (f) A change of record owner of interest;
- 23 (g) A gift; and
- 24 (h) A transfer by operation of law.

25 ~~((39))~~ (40) "Type of entity" means a generic form of entity:

- 26 (a) Recognized at common law; or
- 27 (b) Formed under an organic law, whether or not some entities  
28 formed under that law are subject to provisions of that law that  
29 create different categories of the form of entity.

30 ~~((40) "Writing" does not include an electronic transmission.~~

31 ~~(41) "Written" means embodied in a tangible medium.))~~

32 **Sec. 31.** RCW 23.95.200 and 2015 c 176 s 1201 are each amended to  
33 read as follows:

34 (1) To be filed by the secretary of state pursuant to this  
35 chapter, an entity filing must be received by the secretary of state,  
36 comply with this chapter, and satisfy the following:

- 37 (a) The entity filing must be required or permitted by Title 23,  
38 23B, 24, or 25 RCW.

1 (b) The entity filing must be delivered in (~~written form~~) a  
2 tangible medium unless and to the extent the secretary of state  
3 permits electronic delivery of entity filings pursuant to RCW  
4 23.95.115(2).

5 (c) The words in the entity filing must be in English, and  
6 numbers must be in Arabic or Roman numerals, but the name of the  
7 entity need not be in English if written in English letters or Arabic  
8 or Roman numerals.

9 (d) The entity filing must be executed by or on behalf of a  
10 person authorized or required under this chapter or the entity's  
11 organic law to execute the filing.

12 (e) The entity filing must state the name and capacity, if any,  
13 of each individual who executed it, on behalf of either the  
14 individual or the person authorized or required to execute the  
15 filing, but need not contain a seal, attestation, acknowledgment, or  
16 verification.

17 (2) When an entity filing is delivered to the secretary of state  
18 for filing, any fee required under this chapter and any fee,  
19 interest, or penalty required to be paid under this chapter or law  
20 other than this chapter must be paid in a manner permitted by the  
21 secretary of state or by that law.

22 (3) The secretary of state may require that an entity filing  
23 delivered in (~~written form~~) a tangible medium be accompanied by an  
24 identical or conformed copy.

25 (4) A record filed under this chapter may be executed by an  
26 individual acting in a valid representative capacity.

27 **Sec. 32.** RCW 23.95.265 and 2015 c 176 s 1214 are each amended to  
28 read as follows:

29 The secretary of state may, where exigent or mitigating  
30 circumstances are presented, waive penalty fees due from any entity  
31 previously in good standing which would otherwise be penalized or  
32 lose its active status. An entity desiring to seek relief under this  
33 section must, within fifteen days of discovery of the missed filing  
34 or lapse, notify the secretary of state (~~in writing~~) as provided in  
35 rule. The notification must include the name and mailing address of  
36 the entity, the governor or other entity official to whom  
37 correspondence should be sent, and a statement under oath by a  
38 governor or other entity official, setting forth the nature of the  
39 missed filing or lapse, the circumstances giving rise to the missed

1 filing or lapse, and the relief sought. If the secretary of state is  
2 satisfied that sufficient exigent or mitigating circumstances exist,  
3 that the entity has demonstrated good faith and a reasonable attempt  
4 to comply with the applicable statutes of this state, the secretary  
5 of state may issue an order allowing relief from the penalty. If the  
6 secretary of state determines the request does not comply with the  
7 requirements for relief, the secretary of state shall deny the relief  
8 and state the reasons for the denial. Any denial of relief by the  
9 secretary of state is not reviewable notwithstanding the provisions  
10 of chapter 34.05 RCW.

11 **Sec. 33.** RCW 23.95.420 and 2015 c 176 s 1405 are each amended to  
12 read as follows:

13 (1) A person may become listed as a commercial registered agent  
14 by delivering to the secretary of state for filing a commercial-  
15 registered-agent listing statement executed by the person which  
16 states:

17 (a) The name of the individual or the name of the entity, type of  
18 entity, and jurisdiction of formation of the entity;

19 (b) That the person is in the business of serving as a commercial  
20 registered agent in this state; and

21 (c) The address of a place of business of the person in this  
22 state to which service of process, notices, and demands being served  
23 on or sent to entities represented by the person may be delivered.

24 (2) A commercial-registered-agent listing statement may include  
25 the information regarding acceptance by the agent of service of  
26 process, notices, and demands in a form other than a (~~written~~  
27 ~~record~~) tangible medium as provided in RCW 23.95.450(5).

28 (3) If the name of a person delivering to the secretary of state  
29 for filing a commercial-registered-agent listing statement is not  
30 distinguishable on the records of the secretary of state from the  
31 name of another commercial registered agent listed under this  
32 section, the person shall adopt a fictitious name that is  
33 distinguishable and use that name in its statement and when it does  
34 business in this state as a commercial registered agent.

35 (4) The secretary of state shall note the filing of a commercial-  
36 registered-agent listing statement in the records maintained by the  
37 secretary of state for each entity represented by the agent at the  
38 time of the filing. The statement has the effect of amending the  
39 registered agent filing for each of those entities to:



1 (a) Designate the person becoming listed as a commercial  
2 registered agent as the commercial registered agent of each of those  
3 entities; and

4 (b) Delete the name and address of the former agent from the  
5 registered agent filing of each of those entities.

6 **Sec. 34.** RCW 23.95.450 and 2015 c 176 s 1411 are each amended to  
7 read as follows:

8 (1) A represented entity may be served with any process, notice,  
9 or demand required or permitted by law by serving its registered  
10 agent.

11 (2) If a represented entity ceases to have a registered agent, or  
12 if its registered agent cannot with reasonable diligence be served,  
13 the entity may be served by registered or certified mail, return  
14 receipt requested, or by similar commercial delivery service,  
15 addressed to the entity at the entity's principal office. The address  
16 of the principal office must be as shown in the entity's most recent  
17 annual report filed by the secretary of state. Service is effected  
18 under this subsection on the earliest of:

19 (a) The date the entity receives the mail or delivery by the  
20 commercial delivery service;

21 (b) The date shown on the return receipt, if executed by the  
22 entity; or

23 (c) Five days after its deposit with the United States postal  
24 service or commercial delivery service, if correctly addressed and  
25 with sufficient postage or payment.

26 (3) If process, notice, or demand cannot be served on an entity  
27 pursuant to subsection (1) or (2) of this section, service may be  
28 made by handing a copy to the individual in charge of any regular  
29 place of business or activity of the entity if the individual served  
30 is not a plaintiff in the action.

31 (4) The secretary of state shall be an agent of the entity for  
32 service of process if process, notice, or demand cannot be served on  
33 an entity pursuant to subsection (1), (2), or (3) of this section.

34 (5) Service of process, notice, or demand on a registered agent  
35 must be in a (~~written record~~) tangible medium, but service may be  
36 made on a commercial registered agent in other forms, and subject to  
37 such requirements, as the agent has stated in its listing under RCW  
38 23.95.420 that it will accept.

1 (6) Service of process, notice, or demand may be made by other  
2 means under law other than this chapter.

3 **Sec. 35.** RCW 23B.01.200 and 2015 c 176 s 2101 are each amended  
4 to read as follows:

5 (1) A (~~record~~) document required or permitted by this title to  
6 be filed in the office of the secretary of state must satisfy the  
7 requirements of Article 2 of chapter 23.95 RCW, this section, and any  
8 other section that adds to or varies from these requirements, to be  
9 entitled to filing by the secretary of state.

10 (2) Unless otherwise indicated in this title, all (~~records~~)  
11 documents delivered to the secretary of state for filing must be  
12 executed:

13 (a) By the chairperson of the board of directors of a domestic or  
14 foreign corporation, by its president, or by another of its officers;

15 (b) If directors have not been selected or the corporation has  
16 not been formed, by an incorporator; or

17 (c) If the corporation is in the hands of a receiver, trustee, or  
18 other court-appointed fiduciary, by that fiduciary.

19 **Sec. 36.** RCW 23B.01.230 and 2015 c 176 s 2103 are each amended  
20 to read as follows:

21 A (~~record~~) document filed with the secretary of state is  
22 effective as provided in RCW 23.95.210, and may state a delayed  
23 effective date and time in accordance with RCW 23.95.210.

24 **Sec. 37.** RCW 23B.01.240 and 2015 c 176 s 2104 are each amended  
25 to read as follows:

26 A domestic or foreign corporation may correct a (~~record~~)  
27 document filed by the secretary of state in accordance with RCW  
28 23.95.220.

29 **Sec. 38.** RCW 23B.01.250 and 2015 c 176 s 2105 are each amended  
30 to read as follows:

31 RCW 23.95.225 governs the secretary of state's duty to file  
32 (~~records~~) documents delivered to the secretary of state for filing,  
33 the manner and effect of filing, and procedures that apply when the  
34 secretary of state refuses to file a (~~record~~) document.

1       **Sec. 39.** RCW 23B.01.290 and 2015 c 176 s 2107 are each amended  
2 to read as follows:

3       RCW 23.95.240 governs the penalty that applies for executing a  
4 false ~~((record))~~ document that is intended to be delivered to the  
5 secretary of state for filing.

6       **Sec. 40.** RCW 23B.01.400 and 2019 c 141 s 5 are each amended to  
7 read as follows:

8       Unless the context clearly requires otherwise, the definitions in  
9 this section apply throughout this title.

10       (1) "Articles of incorporation" include amended and restated  
11 articles of incorporation and articles of merger.

12       (2) "Authorized shares" means the shares of all classes a  
13 domestic or foreign corporation is authorized to issue.

14       (3) "Conspicuous" means so prepared that a reasonable person  
15 against whom the ~~((record))~~ writing is to operate should have noticed  
16 it. For example, ~~((printing))~~ text in italics ~~((or))~~ boldface  
17 ~~((or))~~ contrasting color, ~~((or—typing—in))~~ capitals or  
18 underlined~~((r))~~ is conspicuous.

19       (4) "Controlling interest" means ownership of an entity's  
20 outstanding shares or interests in such number as to entitle the  
21 holder at the time to elect a majority of the entity's directors or  
22 other governors without regard to voting power which may thereafter  
23 exist upon a default, failure, or other contingency.

24       (5) "Corporate action" means any resolution, act, policy,  
25 contract, transaction, plan, adoption or amendment of articles of  
26 incorporation or bylaws, or other matter approved by or submitted for  
27 approval to a corporation's incorporators, board of directors or a  
28 committee thereof, or shareholders.

29       (6) "Corporation" or "domestic corporation" means a corporation  
30 for profit, including a social purpose corporation, which is not a  
31 foreign corporation, incorporated under or subject to the provisions  
32 of this title.

33       (7) "Deliver" ~~((includes—(a)—mailing,—(b)—for—purposes—of~~  
34 ~~delivering a demand, consent, notice, or waiver to the corporation or~~  
35 ~~one of its officers, directors, or shareholders, transmission by~~  
36 ~~facsimile equipment, and (c) for purposes of delivering a demand,~~  
37 ~~consent, notice, or waiver to the corporation or one of its officers,~~  
38 ~~directors, or shareholders under RCW 23B.01.410 or chapter 23B.07,~~  
39 ~~23B.08, 23B.11, 23B.13, 23B.14, or 23B.16 RCW delivery)) or~~

1 "delivery" means any method of delivery used in conventional  
2 commercial practice, including delivery by hand, mail, commercial  
3 delivery, and, if authorized in accordance with RCW 23B.01.410, by  
4 electronic transmission.

5 (8) "Distribution" means a direct or indirect transfer of money  
6 or other property, except its own shares, or incurrence of  
7 indebtedness by a corporation to or for the benefit of its  
8 shareholders in respect to any of its shares. A distribution may be  
9 in the form of a declaration or payment of a dividend; a distribution  
10 in partial or complete liquidation, or upon voluntary or involuntary  
11 dissolution; a purchase, redemption, or other acquisition of shares;  
12 a distribution of indebtedness; or otherwise.

13 (9) (~~"Effective date of notice" has the meaning provided in RCW~~  
14 ~~23B.01.410.~~

15 ~~(10) "Electronic transmission" means an electronic communication~~  
16 ~~(a) not directly involving the physical transfer of a record in a~~  
17 ~~tangible medium and (b) that may be retained, retrieved, and reviewed~~  
18 ~~by the sender and the recipient thereof, and that may be directly~~  
19 ~~reproduced in a tangible medium by such a sender and recipient.~~

20 ~~(11) "Electronically transmitted" means the initiation of an~~  
21 ~~electronic transmission.~~

22 ~~(12))~~ "Document" means:

23 (a) Any tangible medium on which information is inscribed, and  
24 includes handwritten, typed, printed, or similar instruments or  
25 copies of such instruments; and

26 (b) An electronic record.

27 (10) "Electronic" means relating to technology having electrical,  
28 digital, magnetic, wireless, optical, electromagnetic, or similar  
29 capabilities.

30 (11) "Electronic mail" means an electronic transmission directed  
31 to a unique electronic mail address, which electronic mail will be  
32 deemed to include any files attached thereto and any information  
33 hyperlinked to a web site if the electronic mail includes the contact  
34 information of an officer or agent of the corporation who is  
35 available to assist with accessing such files and information.

36 (12) "Electronic mail address" means a destination, commonly  
37 expressed as a string of characters, consisting of a unique user name  
38 or mailbox, commonly referred to as the "local part" of the address,  
39 and a reference to an internet domain, commonly referred to as the

1 "domain part" of the address, whether or not displayed, to which  
2 electronic mail can be sent or delivered.

3 (13) "Electronic record" means information that is stored in an  
4 electronic or other nontangible medium and is retrievable in paper  
5 form through an automated process used in conventional commercial  
6 practice, unless otherwise authorized in accordance with RCW  
7 23B.01.410(10).

8 (14) "Electronic transmission" or "electronically transmitted"  
9 means internet transmission, telephonic transmission, electronic mail  
10 transmission, transmission of a telegram, cablegram, or datagram, the  
11 use of, or participation in, one or more electronic networks or  
12 databases including one or more distributed electronic networks or  
13 databases, or any other form or process of communication, not  
14 directly involving the physical transfer of paper or another tangible  
15 medium, which:

16 (a) Is suitable for the retention, retrieval, and reproduction of  
17 information by the recipient; and

18 (b) Is retrievable in paper form by the recipient through an  
19 automated process used in conventional commercial practice, unless  
20 otherwise authorized in accordance with RCW 23B.01.410(10).

21 (15) "Employee" includes an officer but not a director. A  
22 director may accept duties that make the director also an employee.

23 ~~((13))~~ (16) "Entity" includes a corporation and foreign  
24 corporation, not-for-profit corporation, business trust, estate,  
25 trust, partnership, limited liability company, association, joint  
26 venture, two or more persons having a joint or common economic  
27 interest, the state, United States, and a foreign governmental  
28 subdivision, agency, or instrumentality, or any other legal or  
29 commercial entity.

30 ~~((14))~~ (17) "Execute," "executes," or "executed" means  
31 ~~((a) signed with respect to a written record or (b) electronically~~  
32 ~~transmitted along with sufficient information to determine the~~  
33 ~~sender's identity with respect to),~~ with present intent to  
34 authenticate or adopt a document:

35 (a) To sign or adopt a tangible symbol to the document, and  
36 includes any manual, facsimile, or conformed signature;

37 (b) To attach or logically associate with an electronic  
38 transmission(~~(, — or)~~) an electronic sound, symbol, or process, and  
39 includes an electronic signature; or

1 (c) (~~(with)~~) With respect to a (~~(record)~~) document to be filed  
2 with the secretary of state, in compliance with the standards for  
3 filing with the office of the secretary of state as prescribed by the  
4 secretary of state.

5 (~~(15)~~) (18) "Foreign corporation" means a corporation for  
6 profit incorporated under a law other than the law of this state.

7 (~~(16)~~) (19) "Foreign limited partnership" means a partnership  
8 formed under laws other than of this state and having as partners one  
9 or more general partners and one or more limited partners.

10 (~~(17)~~) (20) "General social purpose" means the general social  
11 purpose for which a social purpose corporation is organized as set  
12 forth in the articles of incorporation of the corporation in  
13 accordance with RCW 23B.25.040(1)(c).

14 (~~(18)~~) (21) "Governmental subdivision" includes authority,  
15 county, district, and municipality.

16 (~~(19)~~) (22) "Governor" has the meaning given that term in RCW  
17 23.95.105.

18 (~~(20)~~) (23) "Includes" denotes a partial definition.

19 (~~(21)~~) (24) "Individual" includes the estate of an incompetent  
20 or deceased individual.

21 (~~(22)~~) (25) "Limited partnership" or "domestic limited  
22 partnership" means a partnership formed by two or more persons under  
23 the laws of this state and having one or more general partners and  
24 one or more limited partners.

25 (~~(23)~~) (26) "Means" denotes an exhaustive definition.

26 (~~(24)~~) (27) "Notice" has the meaning provided in RCW  
27 23B.01.410.

28 (~~(25)~~) (28) "Person" means an individual, corporation, business  
29 trust, estate, trust, partnership, limited liability company,  
30 association, joint venture, government, governmental subdivision,  
31 agency, or instrumentality, or any other legal or commercial entity.

32 (~~(26)~~) (29) "Principal office" means the office, in or out of  
33 this state, so designated in the annual report where the principal  
34 executive offices of a domestic or foreign corporation are located.

35 (~~(27)~~) (30) "Proceeding" includes civil suit and criminal,  
36 administrative, and investigatory action.

37 (~~(28)~~) (31) "Public company" means a corporation that has a  
38 class of shares registered with the federal securities and exchange  
39 commission pursuant to section 12 or 15 of the securities exchange

1 act of 1934, or section 8 of the investment company act of 1940, or  
2 any successor statute.

3 ~~((29))~~ (32) "Qualified director" means (a) with respect to a  
4 director's conflicting interest transaction as defined in RCW  
5 23B.08.700, any director who does not have either (i) a conflicting  
6 interest respecting the transaction, or (ii) a familial, financial,  
7 professional, or employment relationship with a second director who  
8 does have a conflicting interest respecting the transaction, which  
9 relationship would, in the circumstances, reasonably be expected to  
10 exert an influence on the first director's judgment when voting on  
11 the transaction; (b) with respect to RCW 23B.08.735, a qualified  
12 director under (a) of this subsection if the business opportunity  
13 were a director's conflicting interest transaction; and (c) with  
14 respect to RCW 23B.02.020(5)(k), a director who is not a director (i)  
15 to whom the limitation or elimination of the duty of an officer to  
16 offer potential business opportunities to the corporation would  
17 apply, or (ii) who has a familial, financial, professional, or  
18 employment relationship with another officer to whom the limitation  
19 or elimination would apply, which relationship would, in the  
20 circumstances, reasonably be expected to exert an influence on the  
21 director's judgment when voting on the limitation or elimination.

22 ~~((30) "Record" means information inscribed on a tangible medium  
23 or contained in an electronic transmission.~~

24 ~~(31))~~ (33) "Record date" means the date established under  
25 chapter 23B.07 RCW on which a corporation determines the identity of  
26 its shareholders and their shareholdings for purposes of this title.  
27 The determinations shall be made as of the close of business on the  
28 record date unless another time for doing so is specified when the  
29 record date is fixed.

30 ~~((32))~~ (34) "Registered office" means the address of the  
31 corporation's registered agent.

32 ~~((33))~~ (35) "Secretary" means the corporate officer to whom the  
33 board of directors has delegated responsibility under RCW  
34 23B.08.400(3) for custody of the minutes of the meetings of the board  
35 of directors and of the shareholders and for authenticating records  
36 of the corporation.

37 ~~((34))~~ (36) "Shareholder" means the person in whose name shares  
38 are registered in the records of a corporation or the beneficial  
39 owner of shares to the extent of the rights granted by a nominee  
40 certificate on file with a corporation.

1       ~~((35))~~ (37) "Shares" means the units into which the proprietary  
2 interests in a corporation are divided.

3       ~~((36))~~ (38) "Social purpose" includes any general social  
4 purpose and any specific social purpose.

5       ~~((37))~~ (39) "Social purpose corporation" means a corporation  
6 that has elected to be governed as a social purpose corporation under  
7 chapter 23B.25 RCW.

8       ~~((38))~~ (40) "Specific social purpose" means the specific social  
9 purpose or purposes for which a social purpose corporation is  
10 organized as set forth in the articles of incorporation of the  
11 corporation in accordance with RCW 23B.25.040(2)(a).

12       ~~((39))~~ (41) "State," when referring to a part of the United  
13 States, includes a state and commonwealth, and their agencies and  
14 governmental subdivisions, and a territory and insular possession,  
15 and their agencies and governmental subdivisions, of the United  
16 States.

17       ~~((40))~~ (42) "Subscriber" means a person who subscribes for  
18 shares in a corporation, whether before or after incorporation.

19       ~~((41))~~ (43) "Subsidiary" means an entity in which the  
20 corporation has, directly or indirectly, a controlling interest.

21       ~~((42) "Tangible medium" means a writing, copy of a writing, or  
22 facsimile, or a physical reproduction, each on paper or on other  
23 tangible material.~~

24       ~~(43))~~ (44) "United States" includes a district, authority,  
25 bureau, commission, department, and any other agency of the United  
26 States.

27       ~~((44))~~ (45) "Voting group" means all shares of one or more  
28 classes or series that under the articles of incorporation or this  
29 title are entitled to vote and be counted together collectively on a  
30 matter at a meeting of shareholders. All shares entitled by the  
31 articles of incorporation or this title to vote generally on the  
32 matter are for that purpose a single voting group.

33       ~~((45) "Writing" does not include an electronic transmission.~~

34       ~~(46) "Written" means embodied in a tangible medium.))~~ (46)  
35 "Writing" or "written" means any information in the form of a  
36 document.

37       **Sec. 41.** RCW 23B.01.410 and 2015 c 176 s 2108 are each amended  
38 to read as follows:



1           (1) (~~Notice~~) A notice under this title must be (~~provided in~~  
2 ~~the form of a record~~) in writing, except that oral notice of any  
3 meeting of the board of directors may be given if expressly  
4 authorized by the articles of incorporation or bylaws. A notice  
5 includes material that this title requires to accompany the notice.  
6 Unless otherwise agreed between the sender and the recipient, words  
7 in a notice or other communication under this title must be in  
8 English.

9           (2) (~~Permissible means of transmission.~~

10          ~~(a) Oral notice. Oral notice may be communicated in person, by~~  
11 ~~telephone, wire, or wireless equipment which does not transmit a~~  
12 ~~facsimile of the notice, or by any electronic means which does not~~  
13 ~~create a record. If these forms of oral notice are impracticable,~~  
14 ~~oral notice may be communicated by radio, television, or other form~~  
15 ~~of public broadcast communication.~~

16          ~~(b) Notice provided in a tangible medium. Notice may be provided~~  
17 ~~in a tangible medium and be transmitted by mail, private carrier, or~~  
18 ~~personal delivery; telegraph or teletype; or telephone, wire, or~~  
19 ~~wireless equipment which transmits a facsimile of the notice. If~~  
20 ~~these forms of notice in a tangible medium are impracticable, notice~~  
21 ~~in a tangible medium may be transmitted by an advertisement in a~~  
22 ~~newspaper of general circulation in the area where published.~~

23          ~~(c) Notice provided in an electronic transmission.~~

24          ~~(i) Notice may be provided in an electronic transmission and be~~  
25 ~~electronically transmitted.~~

26          ~~(ii) Notice to shareholders or directors in an electronic~~  
27 ~~transmission is effective only with respect to shareholders and~~  
28 ~~directors that have consented, in the form of a record, to receive~~  
29 ~~electronically transmitted notices under this title and designated in~~  
30 ~~the consent the address, location, or system to which these notices~~  
31 ~~may be electronically transmitted and with respect to a notice that~~  
32 ~~otherwise complies with any other requirements of this title and~~  
33 ~~applicable federal law.~~

34          ~~(A) Notice to shareholders or directors for this purpose includes~~  
35 ~~material that this title requires to accompany the notice.~~

36          ~~(B) A shareholder or director who has consented to receipt of~~  
37 ~~electronically transmitted notices may revoke this consent by~~  
38 ~~delivering a revocation to the corporation in the form of a record.~~

39          ~~(C) The consent of any shareholder or director is revoked if (I)~~  
40 ~~the corporation is unable to electronically transmit two consecutive~~

1 notices given by the corporation in accordance with the consent, and  
2 ~~(II) this inability becomes known to the secretary of the~~  
3 ~~corporation, the transfer agent, or any other person responsible for~~  
4 ~~giving the notice. The inadvertent failure by the corporation to~~  
5 ~~treat this inability as a revocation does not invalidate any meeting~~  
6 ~~or other corporate action.~~

7 ~~(iii) Notice to shareholders or directors who have consented to~~  
8 ~~receipt of electronically transmitted notices may be provided by (A)~~  
9 ~~posting the notice on an electronic network and (B) delivering to the~~  
10 ~~shareholder or director a separate record of the posting, together~~  
11 ~~with comprehensible instructions regarding how to obtain access to~~  
12 ~~the posting on the electronic network.~~

13 ~~(iv) Notice to a domestic or foreign corporation, authorized to~~  
14 ~~transact business in this state, in an electronic transmission is~~  
15 ~~effective only with respect to a corporation that has designated in a~~  
16 ~~record an address, location, or system to which the notices may be~~  
17 ~~electronically transmitted.~~

18 ~~(d) Materials accompanying notice to shareholders of public~~  
19 ~~companies.)) A notice or other communication may be given by any~~  
20 ~~method of delivery, except that electronic transmissions must be in~~  
21 ~~accordance with this section. If the methods of delivery are~~  
22 ~~impracticable, a notice or other communication may be given by means~~  
23 ~~of a broad nonexclusionary distribution to the public, which may~~  
24 ~~include a newspaper of general circulation in the area where~~  
25 ~~published; radio, television, or other form of public broadcast~~  
26 ~~communication; or other methods of distribution that the corporation~~  
27 ~~has previously identified to its shareholders.~~

28 (3) A notice or other communication to a domestic or foreign  
29 corporation registered to do business in this state may be delivered  
30 to the corporation's registered agent or to the secretary at its  
31 principal office shown in its most recent annual report or, in the  
32 case of a foreign corporation that has not yet delivered an annual  
33 report, in its foreign registration statement.

34 (4) A notice or other communications may be delivered by  
35 electronic transmission if consented to by the recipient or if  
36 authorized by subsection (10) of this section; except that if the  
37 articles of incorporation or bylaws authorize or require delivery of  
38 notices of meetings of directors by electronic transmission, then no  
39 consent to delivery of such notices by electronic transmission is  
40 required.

1 (5) Any consent under subsection (4) of this section may be  
2 revoked by the person who consented by written notice to the person  
3 to whom the consent was delivered. Any such consent is deemed revoked  
4 if:

5 (a) The corporation is unable to deliver two consecutive  
6 electronic transmissions given by the corporation in accordance with  
7 such consent; and

8 (b) Such inability becomes known to the secretary or to the  
9 transfer agent, or other person responsible for the giving of notice  
10 or other communications. The inadvertent failure to treat such  
11 inability as a revocation will not invalidate any meeting or other  
12 corporate action.

13 (6) Unless otherwise agreed between the sender and the recipient,  
14 an electronic transmission is received when:

15 (a) If by electronic mail, it is directed to the recipient's  
16 electronic mail address including, in the case of a shareholder, to  
17 the shareholder's electronic mail address as it appears in the  
18 corporation's records;

19 (b) If by posting on an electronic network, upon the later of  
20 such posting and the delivery of separate notice to the recipient of  
21 such specific posting together with comprehensible instructions  
22 regarding how to obtain access to the posting on the electronic  
23 network; and

24 (c) If by any other electronic transmission, it enters an  
25 information processing system that the recipient has designated or  
26 uses for the purposes of receiving electronic transmissions or  
27 information of the type sent, and from which the recipient is able to  
28 retrieve the electronic transmission and it is in a form capable of  
29 being processed by that system.

30 (7) Receipt of an electronic acknowledgment from an information  
31 processing system described in subsection (6)(c) of this section  
32 establishes that an electronic transmission was received but, by  
33 itself, does not establish that the content sent corresponds to the  
34 content received.

35 (8) An electronic transmission is received under this section  
36 even if no person is aware of its receipt.

37 (9) A notice or other communication, if in a comprehensible form  
38 or manner, is effective at the earliest of the following:

39 (a) If in a physical form, the earliest of when it is actually  
40 received, or when it is left at:

1 (i) A shareholder's address as it appears in the corporation's  
2 records;

3 (ii) A director's residence or usual place of business; or

4 (iii) The corporation's principal office;

5 (b) If mailed to a shareholder, upon deposit in the United States  
6 mail with first-class postage prepaid and correctly addressed to the  
7 shareholder's mailing address as it appears in the corporation's  
8 records;

9 (c) If mailed to a recipient other than a shareholder, the  
10 earliest of when it is actually received, or:

11 (i) If sent by registered or certified mail, return receipt  
12 requested, the date shown on the return receipt signed by or on  
13 behalf of the addressee; or

14 (ii) Five days after it is deposited in the United States mail  
15 with first-class postage prepaid and correctly addressed to the  
16 recipient;

17 (d) If sent by air courier, when dispatched and correctly  
18 addressed to a shareholder's mailing address as it appears in the  
19 corporation's records;

20 (e) If an electronic transmission, when it is received as  
21 provided in subsection (6) of this section; and

22 (f) If oral, when communicated.

23 (10) A notice or other communication may be in the form of an  
24 electronic transmission that cannot be directly reproduced in paper  
25 form by the recipient through an automated process used in  
26 conventional commercial practice only if:

27 (a) The electronic transmission is otherwise retrievable in  
28 perceivable form; and

29 (b) The sender and the recipient have consented in writing to the  
30 use of such form of electronic transmission.

31 (11) Notwithstanding anything to the contrary in this section or  
32 any other section of this title, if this title requires that a notice  
33 to shareholders be accompanied by certain material, a public company  
34 may satisfy such a requirement, whether or not a shareholder has  
35 consented to receive electronically transmitted notice, by ((+i))

36 (a) posting the material on an electronic network (either separate  
37 from, or in combination or as part of, any other materials the public  
38 company has posted on the electronic network in compliance with  
39 applicable federal law) at or prior to the time that the notice is  
40 delivered to the public company's shareholders entitled to receive

1 the notice, and ~~((ii))~~ (b) delivering to the public company's  
2 shareholders entitled to receive the notice a separate record of the  
3 posting (which record may accompany, or be contained in, the notice),  
4 together with comprehensible instructions regarding how to obtain  
5 access to the posting on the electronic network. In such a case, the  
6 material is deemed to have been delivered to the public company's  
7 shareholders at the time the notice to the shareholders is effective  
8 under this section. A public company that elects pursuant to this  
9 section to post on an electronic network any material required by  
10 this title to accompany a notice to shareholders is required, at its  
11 expense, to provide a copy of the material in a tangible medium  
12 (alone or in combination or as part of any other materials the public  
13 company has posted on the electronic network in compliance with  
14 federal law) to any shareholder entitled to such a notice who so  
15 requests.

16 ~~((3) Effective time and date of notice.~~

17 ~~(a) Oral notice. Oral notice is effective when received.~~

18 ~~(b) Notice provided in a tangible medium.~~

19 ~~(i) Notice in a tangible medium, if in a comprehensible form, is~~  
20 ~~effective at the earliest of the following:~~

21 ~~(A) If expressly authorized by the articles of incorporation or~~  
22 ~~bylaws, and if notice is sent to the person's address, telephone~~  
23 ~~number, or other number appearing on the records of the corporation,~~  
24 ~~when dispatched by telegraph, teletype, or facsimile equipment;~~

25 ~~(B) When received;~~

26 ~~(C) Except as provided in (b) (ii) of this subsection, five days~~  
27 ~~after its deposit in the United States mail, as evidenced by the~~  
28 ~~postmark, if mailed with first-class postage, prepaid and correctly~~  
29 ~~addressed; or~~

30 ~~(D) On the date shown on the return receipt, if sent by~~  
31 ~~registered or certified mail, return receipt requested, and the~~  
32 ~~receipt is signed by or on behalf of the addressee.~~

33 ~~(ii) Notice in a tangible medium by a domestic or foreign~~  
34 ~~corporation to its shareholder, if in a comprehensible form and~~  
35 ~~correctly addressed to the shareholder's address shown in the~~  
36 ~~corporation's current record of shareholders, is effective:~~

37 ~~(A) When mailed, if mailed with first-class postage prepaid; and~~

38 ~~(B) When dispatched, if prepaid, by air courier.~~

39 ~~(iii) Notice in a tangible medium to a domestic or foreign~~  
40 ~~corporation, authorized to transact business in this state, may be~~

1 addressed to the corporation's registered agent or to the corporation  
2 or its secretary at its principal office shown in its most recent  
3 annual report, or in the case of a foreign corporation that has not  
4 yet delivered its annual report in its foreign registration  
5 statement.

6 ~~(c) Notice provided in an electronic transmission. Notice~~  
7 ~~provided in an electronic transmission, if in comprehensible form, is~~  
8 ~~effective when it: (i) Is electronically transmitted to an address,~~  
9 ~~location, or system designated by the recipient for that purpose; or~~  
10 ~~(ii) has been posted on an electronic network and a separate record~~  
11 ~~of the posting has been delivered to the recipient together with~~  
12 ~~comprehensible instructions regarding how to obtain access to the~~  
13 ~~posting on the electronic network.~~

14 ~~(4))~~ (12) If this title prescribes ~~((notice))~~ requirements for  
15 notices or other communications in particular circumstances, those  
16 requirements govern. If articles of incorporation or bylaws prescribe  
17 ~~((notice))~~ requirements for notices or other communications, not  
18 inconsistent with this section or other provisions of this title,  
19 those requirements govern. The articles of incorporation or bylaws  
20 may authorize or require delivery of notices of meetings of directors  
21 by electronic transmission.

22 (13) In the event that any provisions of this title are deemed to  
23 modify, limit, or supersede the federal electronic signatures in  
24 global and national commerce act, 15 U.S.C. Sec. 7001 et seq., the  
25 provisions of this title will control to the maximum extent permitted  
26 by section 102(a)(2) of that federal act.

27 **Sec. 42.** RCW 23B.01.420 and 2003 c 35 s 1 are each amended to  
28 read as follows:

29 (1) A corporation has ~~((provided))~~ delivered written notice or  
30 any other ~~((record to))~~ report or statement to all shareholders of  
31 record who share a common address if all of the following  
32 requirements are met:

33 (a) The corporation delivers one copy of the notice ~~((or other~~  
34 ~~record))~~, report, or statement to the common address;

35 (b) The corporation addresses the notice ~~((or other record))~~,  
36 report, or statement to the shareholders who share that address  
37 either as a group or to each of the shareholders individually; and

38 (c) Each of those shareholders consents ~~((in a record))~~ to  
39 delivery of a single copy of such ~~((a))~~ notice ~~((or other record))~~,

1 report, or statement to the shareholders' common address, and the  
2 corporation notifies each shareholder of the duration of that  
3 shareholder's consent, and explains the manner by which the  
4 shareholder can revoke the consent.

5 (2) For purposes of this section, "address" means a street  
6 address, a post office box number, a facsimile telephone number, (~~a~~  
7 ~~common~~) an address, location, or system for electronic  
8 transmissions, an email address, or another similar destination to  
9 which records are delivered.

10 (3) If a shareholder (~~revokes~~) delivers written notice of  
11 revocation to consent to delivery of a single copy of any notice (~~or~~  
12 ~~other record~~), report, or statement to a common address, or  
13 (~~notifies~~) delivers written notice to the corporation that the  
14 shareholder wishes to receive an individual copy of any notice (~~or~~  
15 ~~other record~~), report, or statement, the corporation shall begin  
16 sending individual copies to that shareholder within thirty days  
17 after (~~the corporation receives the revocation of consent or~~)  
18 delivery of the written notice.

19 (4) Prior to the delivery of notice by electronic transmission to  
20 a common address, (~~location, or system for electronic transmissions~~  
21 ~~under this section,~~) each shareholder consenting to receive notice  
22 under this section must also have consented to the receipt of notices  
23 by electronic transmission as provided in RCW 23B.01.410.

24 **Sec. 43.** RCW 23B.02.050 and 2015 c 176 s 2113 are each amended  
25 to read as follows:

26 (1) After incorporation:

27 (a) If initial directors are named in the articles of  
28 incorporation, the initial directors shall hold an organizational  
29 meeting, at the call of a majority of the directors, to complete the  
30 organization of the corporation by appointing officers, adopting  
31 bylaws, and carrying on any other business brought before the  
32 meeting;

33 (b) If initial directors are not named in the articles, the  
34 incorporator or incorporators shall hold an organizational meeting at  
35 the call of a majority of the incorporators:

36 (i) To elect directors and complete the organization of the  
37 corporation; or

38 (ii) To elect a board of directors who shall complete the  
39 organization of the corporation.

1 (2) Corporate action required or permitted by this title to be  
2 approved by incorporators at an organizational meeting may be  
3 approved without a meeting if the approval is evidenced by (~~the~~  
4 ~~consent of each of the incorporators in the form of a record~~) one or  
5 more written consents describing the corporate action so approved and  
6 executed by each incorporator.

7 (3) An organizational meeting may be held in or out of this  
8 state.

9 (4) A corporation must deliver an initial report to the secretary  
10 of state in accordance with RCW 23.95.255.

11 **Sec. 44.** RCW 23B.06.200 and 1989 c 165 s 48 are each amended to  
12 read as follows:

13 (1) A written subscription for shares entered into before  
14 incorporation is irrevocable for six months unless the subscription  
15 agreement provides a longer or shorter period or all the subscribers  
16 agree to revocation.

17 (2) The board of directors may determine the payment terms of  
18 subscriptions for shares that were entered into before  
19 incorporation, unless the subscription agreement specifies them. A  
20 call for payment by the board of directors must be uniform so far as  
21 practicable as to all shares of the same class or series, unless the  
22 subscription agreement specifies otherwise.

23 (3) Shares issued pursuant to subscriptions entered into before  
24 incorporation are fully paid and nonassessable when the corporation  
25 receives the consideration specified in the subscription agreement.

26 (4) If a subscriber defaults in payment of money or property  
27 under a subscription agreement entered into before incorporation, the  
28 corporation may collect the amount owed as any other debt.  
29 Alternatively, unless the subscription agreement provides otherwise,  
30 the corporation may rescind the agreement and may sell the shares if  
31 the debt remains unpaid more than twenty days after the corporation  
32 (~~sends~~) delivers a written demand for payment to the subscriber.

33 (5) A subscription agreement entered into after incorporation is  
34 a contract between the subscriber and the corporation subject to RCW  
35 23B.06.210.

36 **Sec. 45.** RCW 23B.06.250 and 1989 c 165 s 53 are each amended to  
37 read as follows:



1 (1) Shares may, but need not, be represented by certificates.  
2 Unless this title or another statute expressly provides otherwise,  
3 the rights and obligations of shareholders are identical regardless  
4 of whether (~~or not~~) their shares are represented by certificates.

5 (2) At a minimum each share certificate must state on its face:

6 (a) The name of the issuing corporation and that it is organized  
7 under the laws of this state;

8 (b) The name of the person to whom issued; and

9 (c) The number and class of shares and the designation of the  
10 series, if any, the certificate represents.

11 (3) If the issuing corporation is authorized to issue different  
12 classes of shares or different series within a class, the  
13 designations, relative rights, preferences, and limitations  
14 applicable to each class and the variations in rights, preferences,  
15 and limitations determined for each series, and the authority of the  
16 board of directors to determine variations for future series, must be  
17 summarized on the front or back of each certificate. Alternatively,  
18 each certificate may state conspicuously on its front or back that  
19 the corporation will furnish the shareholder this information without  
20 charge on request in writing.

21 (4) Each share certificate (a) must be (~~signed, either manually~~  
22 ~~or in facsimile,~~) executed by two officers designated in the bylaws  
23 or by the board of directors and (b) may bear the corporate seal or  
24 its facsimile.

25 (5) If the person who (~~signed, either manually or in~~  
26 ~~facsimile,~~) executed a share certificate no longer holds office when  
27 the certificate is issued, the certificate is nevertheless valid.

28 **Sec. 46.** RCW 23B.06.260 and 2009 c 189 s 10 are each amended to  
29 read as follows:

30 (1) Unless the articles of incorporation or bylaws provide  
31 otherwise, the board of directors of a corporation may approve the  
32 (~~issue~~) issuance of some or all of the shares of any or all of its  
33 classes or series without certificates. The approval does not affect  
34 shares already represented by certificates until they are surrendered  
35 to the corporation.

36 (2) Within a reasonable time after the (~~issue~~) issuance or  
37 transfer of shares without certificates, the corporation shall  
38 (~~send~~) deliver to the shareholder a (~~record~~) written statement

1 containing the information required on certificates by RCW 23B.06.250  
2 (2) and (3), and, if applicable, RCW 23B.06.270.

3 **Sec. 47.** RCW 23B.06.300 and 2019 c 141 s 2 are each amended to  
4 read as follows:

5 (1) The shareholders of a corporation do not have a preemptive  
6 right to acquire the corporation's unissued shares except to the  
7 extent the articles of incorporation provide otherwise or as set  
8 forth in subsection (2) of this section. A statement included in the  
9 articles of incorporation that "the corporation elects to have  
10 preemptive rights," or words of similar import, means that the  
11 provisions set forth in subsection (3) of this section apply except  
12 to the extent that the articles of incorporation provide otherwise.

13 (2) Unless the articles of incorporation provide otherwise, the  
14 shareholders of a corporation formed before January 1, 2020, have a  
15 preemptive right to acquire the corporation's unissued shares.

16 (3) If shareholders of a corporation have a preemptive right to  
17 acquire the corporation's unissued shares under this section, the  
18 following provisions apply:

19 (a) Unless the articles of incorporation provide otherwise, such  
20 preemptive right is granted on uniform terms and conditions  
21 prescribed by the board of directors to provide a fair and reasonable  
22 opportunity to exercise the right, to acquire proportional amounts of  
23 the corporation's unissued shares upon the decision of the board of  
24 directors to issue them.

25 (b) Unless the articles of incorporation provide otherwise, a  
26 shareholder may waive the shareholder's preemptive right. A waiver  
27 evidenced by (~~an executed record~~) a writing is irrevocable even  
28 though it is not supported by consideration.

29 (c) Unless the articles of incorporation provide otherwise, there  
30 is no preemptive right with respect to:

31 (i) Shares issued as compensation to directors, officers, agents,  
32 employees, or other service providers of the corporation, or its  
33 subsidiaries or affiliates;

34 (ii) Shares issued to satisfy conversion or option rights created  
35 to provide compensation to directors, officers, agents, or employees  
36 of the corporation, or its subsidiaries or affiliates;

37 (iii) Shares issued pursuant to the corporation's initial plan of  
38 financing; and

39 (iv) Shares issued for consideration other than money.

1 (d) Unless the articles of incorporation provide otherwise:

2 (i) Holders of shares of any class without general voting rights  
3 but with preferential rights to distributions or assets have no  
4 preemptive rights with respect to shares of any class; and

5 (ii) Holders of shares of any class with general voting rights  
6 but without preferential rights to distributions or assets have no  
7 preemptive rights with respect to shares of any class with  
8 preferential rights to distributions or assets unless the shares with  
9 preferential rights are convertible into or carry a right to  
10 subscribe for or acquire shares without preferential rights.

11 (e) Unless the articles of incorporation provide otherwise,  
12 shares subject to preemptive rights that are not acquired by  
13 shareholders may be issued to any person for a period of one year  
14 after being offered to shareholders at a consideration set by the  
15 board of directors that is not lower than the consideration set for  
16 the exercise of preemptive rights. An offer at a lower consideration  
17 or after the expiration of one year is subject to the shareholders'  
18 preemptive rights.

19 (f) For purposes of this section, "shares" includes a security  
20 convertible into or carrying a right to subscribe for or acquire  
21 shares.

22 **Sec. 48.** RCW 23B.07.010 and 2018 c 55 s 1 are each amended to  
23 read as follows:

24 (1) Except as provided in subsections (2) and (6) of this  
25 section, a corporation shall hold a meeting of shareholders annually  
26 for the election of directors at a time stated in or fixed in  
27 accordance with the bylaws.

28 (2)(a) If the articles of incorporation or the bylaws of a  
29 corporation registered as an investment company under the investment  
30 company act of 1940 so provide, the corporation is not required to  
31 hold an annual meeting of shareholders in any year in which the  
32 election of directors is not required by the investment company act  
33 of 1940.

34 (b) If a corporation is required under (a) of this subsection to  
35 hold an annual meeting of shareholders to elect directors, the  
36 meeting shall be held no later than one hundred twenty days after the  
37 occurrence of the event requiring the meeting.

38 (3) Subject to subsection (4) of this section:

1 (a) Annual shareholders' meetings may be held in or out of this  
2 state at the place stated in or fixed in accordance with the bylaws;  
3 and

4 (b) If no place is stated in or fixed in accordance with the  
5 bylaws, annual meetings shall be held at the corporation's principal  
6 office.

7 (4) Unless the articles of incorporation or bylaws provide  
8 otherwise, if the board of directors or another person is authorized  
9 in the bylaws to determine the place of annual meetings, the board of  
10 directors or such other person may, in the sole discretion of the  
11 board of directors or such other person, determine that an annual  
12 meeting will not involve a physical assembly of shareholders at a  
13 particular geographic location, but instead will be held solely by  
14 means of remote communication, in accordance with RCW 23B.07.080.

15 (5) The failure to hold an annual meeting at the time stated in  
16 or fixed in accordance with a corporation's bylaws does not affect  
17 the validity of any corporate action.

18 (6) Shareholders may (~~act by consent set forth in a record to~~)  
19 elect directors by written consent as permitted by RCW 23B.07.040 in  
20 lieu of holding an annual meeting.

21 **Sec. 49.** RCW 23B.07.020 and 2018 c 55 s 2 are each amended to  
22 read as follows:

23 (1) A corporation shall hold a special meeting of shareholders:

24 (a) On call of its board of directors or the person or persons  
25 authorized to do so by the articles of incorporation or bylaws; or

26 (b) Except as set forth in subsections (2) and (3) of this  
27 section, if (~~the holders of~~) shareholders holding at least ten  
28 percent of all the votes entitled to be cast on any issue proposed to  
29 be considered at the proposed special meeting execute, date, and  
30 deliver to the (~~corporation's secretary~~) corporation one or more  
31 written demands (~~set forth in an executed and dated record~~) for the  
32 meeting describing the purpose or purposes for which it is to be  
33 held(~~, which demands shall be set forth either (i) in an executed~~  
34 ~~record or (ii) if the corporation has designated an address,~~  
35 ~~location, or system to which the demands may be electronically~~  
36 ~~transmitted and the demands are electronically transmitted to that~~  
37 ~~designated address, location, or system, in an executed~~  
38 ~~electronically transmitted record~~)).

1 (2) The right of shareholders of a public company to call a  
2 special meeting may be limited or denied to the extent provided in  
3 the articles of incorporation.

4 (3) If the corporation is other than a public company, the  
5 articles of incorporation or bylaws may require the demand specified  
6 in subsection (1)(b) of this section be made by a greater percentage,  
7 not in excess of twenty-five percent, of all the votes entitled to be  
8 cast on any issue proposed to be considered at the proposed special  
9 meeting.

10 (4) If not otherwise fixed under RCW 23B.07.030 or 23B.07.070,  
11 the record date for determining shareholders entitled to demand a  
12 special meeting is the ~~((date of delivery of the))~~ first date on  
13 which an executed shareholder demand ~~((in compliance with subsection~~  
14 ~~(1) of this section))~~ is delivered to the corporation.

15 (5) Subject to subsection (6) of this section:

16 (a) Special shareholders' meetings may be held in or out of this  
17 state at the place stated in or fixed in accordance with the bylaws;  
18 and

19 (b) If no place is stated or fixed in accordance with the bylaws,  
20 special meetings shall be held at the corporation's principal office.

21 (6) Unless the articles of incorporation or bylaws provide  
22 otherwise, if the board of directors or another person is authorized  
23 in the bylaws to determine the place of special meetings, the board  
24 of directors or such other person may, in the sole discretion of the  
25 board of directors or such other person, determine that a special  
26 meeting will not involve a physical assembly of shareholders at a  
27 particular geographic location, but instead will be held solely by  
28 means of remote communication, in accordance with RCW 23B.07.080.

29 (7) Only business within the purpose or purposes described in the  
30 meeting notice required by RCW 23B.07.050(3) may be conducted at a  
31 special shareholders' meeting.

32 **Sec. 50.** RCW 23B.07.035 and 2007 c 467 s 6 are each amended to  
33 read as follows:

34 (1) A corporation having any shares listed on a national  
35 securities exchange or regularly traded in a market maintained by one  
36 or more members of a national or affiliated securities association  
37 shall, and any other corporation may, appoint one or more inspectors  
38 to act at a meeting of shareholders ~~((and make a written report of~~  
39 ~~the inspectors' determinations))~~ in connection with determining

1 voting results. Each inspector shall (~~take and sign an oath~~) verify  
2 in writing that the inspector will faithfully (~~to~~) execute the  
3 duties of inspector with strict impartiality and according to the  
4 best of the inspector's ability.

5 (2) The inspectors shall:

6 (a) Ascertain the number of shares outstanding and the voting  
7 power of each;

8 (b) Determine the shares represented at a meeting;

9 (c) Determine the validity of (~~proxies~~) proxy appointments and  
10 ballots;

11 (d) Count (~~all~~) the votes and ballots; and

12 (e) (~~Determine~~) Make a written report of the results.

13 (3) An inspector may be an officer or employee of the  
14 corporation.

15 (4) If no challenge of a determination by the inspectors is  
16 timely made, such determination is conclusive. Challenge of any  
17 determination by the inspectors may be made in a court of competent  
18 jurisdiction.

19 **Sec. 51.** RCW 23B.07.040 and 2009 c 189 s 14 are each amended to  
20 read as follows:

21 (1)(a) Corporate action required or permitted by this title to be  
22 approved by a shareholder vote at a meeting may be approved without a  
23 meeting or a vote if either:

24 (i) The corporate action is approved by all shareholders entitled  
25 to vote on the corporate action; or

26 (ii) The corporate action is approved by shareholders holding of  
27 record or otherwise entitled to vote in the aggregate not less than  
28 the minimum number of votes that would be necessary to approve such  
29 corporate action at a meeting at which all shares entitled to vote on  
30 the corporate action were present and voted, and at the time the  
31 corporate action is approved the corporation is not a public company  
32 and is authorized to approve such corporate action under this  
33 subsection (1)(a)(ii) by a general or limited authorization contained  
34 in its articles of incorporation.

35 (b) Corporate action may be approved by shareholders without a  
36 meeting or a vote (~~by means of execution of a single consent or~~  
37 ~~multiple counterpart consents by~~) if the approval is evidenced by  
38 one or more written consents:

1        (i) Executed by shareholders holding of record or otherwise  
2 entitled to vote in the aggregate not less than the minimum number of  
3 votes necessary under (a) (i) or (ii) of this subsection (~~(. Any such~~  
4 ~~shareholder consent must: (i) Be in the form of an executed record)~~);

5        (ii) (~~(indicate)~~) Indicating the date of execution (~~(of the~~  
6 ~~consent by each shareholder who executes it)~~), which date must be on  
7 or after the applicable record date determined in accordance with  
8 subsection (2) of this section;

9        (iii) (~~(describe)~~) Describing the corporate action being  
10 approved; and

11        (iv) (~~(when)~~) Delivered to the corporation for filing by the  
12 corporation with the minutes or corporate records in accordance with  
13 subsection (4) of this section. When delivered to each shareholder  
14 for execution, the consent must include or be accompanied by the same  
15 material that would have been required by this title to be delivered  
16 to shareholders in or accompanying a notice of meeting at which the  
17 proposed corporate action would have been submitted for shareholder  
18 approval (~~(; and (v) be delivered to the corporation for inclusion in~~  
19 ~~the minutes or filing with the corporate records in accordance with~~  
20 ~~subsection (4) of this section)~~). A shareholder may withdraw an  
21 executed shareholder consent by delivering a written notice of  
22 withdrawal (~~(in the form of an executed record)~~) to the corporation  
23 prior to the time when shareholder consents sufficient to approve the  
24 corporate action have been delivered to the corporation.

25        (c) A written consent in the form of an electronic transmission  
26 must contain or be accompanied by information from which the  
27 corporation can determine that the electronic transmission was  
28 transmitted by the shareholder and the date on which the shareholder  
29 transmitted the electronic transmission.

30        (2) The record date for determining shareholders entitled to  
31 approve a corporate action without a meeting may be fixed under RCW  
32 23B.07.030 or 23B.07.070, but if not so fixed shall be the date of  
33 execution indicated on the earliest dated shareholder consent  
34 executed under subsection (1) of this section, even though such  
35 shareholder consent may not have been delivered to the corporation on  
36 that date.

37        (3) (a) Notice that shareholder consents are being sought under  
38 subsection (1) (a) of this section (~~(shall)~~) must be given, by the  
39 corporation or by another person soliciting such consents, on or  
40 promptly after the record date, to all shareholders entitled to vote

1 on the record date who have not yet executed the shareholder consent  
2 and, if this title would otherwise require that notice of a meeting  
3 of shareholders to consider the proposed corporate action be given to  
4 nonvoting shareholders, to all nonvoting shareholders as of the  
5 record date. Notice given under this subsection (3)(a) (~~shall~~) must  
6 include or be accompanied by the same information required to be  
7 included in or to accompany the shareholder consent under subsection  
8 (1)(b)(iii) and (iv) of this section.

9 (b) Notice that sufficient (~~shareholder~~) written consents have  
10 been executed to approve the proposed corporate action under either  
11 of subsection (1)(a)(i) or (ii) of this section (~~shall~~) must be  
12 given by the corporation, promptly after delivery to the corporation  
13 of (~~shareholder~~) written consents sufficient to approve the  
14 corporate action in accordance with subsection (4) of this section,  
15 to all shareholders entitled to vote on the record date and, if this  
16 title would otherwise require that notice of a meeting of  
17 shareholders to consider the proposed corporate action be given to  
18 nonvoting shareholders, to all nonvoting shareholders as of the  
19 record date.

20 (4) Unless the consent executed by shareholders specifies a later  
21 time as the time at which the approval of the corporate action is to  
22 be effective (~~date~~), shareholder approval obtained under this  
23 section is effective when:

24 (a) Executed shareholder consents sufficient to approve the  
25 proposed corporate action have been delivered to the corporation(~~(~~  
26 ~~either at an address designated by the corporation for delivery of~~  
27 ~~such shareholder consents or at the corporation's registered office,~~  
28 ~~or to such electronic address, location, or system as the corporation~~  
29 ~~may have designated for delivery of such shareholder consents)) in  
30 any manner authorized by RCW 23B.01.410; and~~

31 (b) (~~any~~) Any period of advance notice required by the  
32 corporation's articles of incorporation to be given to any  
33 nonconsenting shareholders has been satisfied. (~~Executed shareholder~~  
34 ~~consents are not~~) No written consent is effective to approve a  
35 proposed corporate action unless, within sixty days after the  
36 earliest date (~~of the earliest dated shareholder~~) on which a  
37 consent delivered to the corporation as required by this section was  
38 executed, written consents executed by a sufficient number of  
39 shareholders to approve the corporate action are delivered to the  
40 corporation.



1 (5) Approval of corporate action by (~~execution of shareholder~~)  
2 written consents under this section has the effect of a meeting vote  
3 and may be described as such in any (~~record~~) document, except that,  
4 if the corporate action requires the filing of a certificate under  
5 any other section of this title, the certificate so filed shall  
6 state, in lieu of any statement required by that section concerning  
7 any vote of shareholders, that shareholder approval has been obtained  
8 in accordance with this section and that notice to any nonconsenting  
9 shareholders has been given to the extent required by this section.

10 **Sec. 52.** RCW 23B.07.060 and 2009 c 189 s 15 are each amended to  
11 read as follows:

12 (1) A shareholder may waive any notice required by this title,  
13 the articles of incorporation, or bylaws before or after the date and  
14 time (~~of the meeting that is the subject of such~~) stated in the  
15 notice, or in the case of notice required by RCW 23B.07.040(3),  
16 before or after the corporate action to be approved by (~~executed~~)  
17 written consent becomes effective. Except as provided by subsections  
18 (2) and (3) of this section, the waiver must be (~~delivered~~) in  
19 writing, be executed by the shareholder entitled to the notice, and  
20 be delivered to the corporation for (~~inclusion in~~) filing by the  
21 corporation with the minutes or (~~filing with the~~) corporate  
22 records(~~, which waiver shall be set forth either (a) in an executed~~  
23 ~~and dated record or (b) if the corporation has designated an address,~~  
24 ~~location, or system to which the waiver may be electronically~~  
25 ~~transmitted and the waiver is electronically transmitted to the~~  
26 ~~designated address, location, or system, in an executed and dated~~  
27 ~~electronically transmitted record~~)).

28 (2) A shareholder's attendance at a meeting waives objection to  
29 lack of notice or defective notice of the meeting, unless the  
30 shareholder at the beginning of the meeting objects to holding the  
31 meeting or transacting business at the meeting.

32 (3) A shareholder waives objection to consideration of a  
33 particular matter at a meeting that is not within the purpose or  
34 purposes described in the meeting notice, unless the shareholder  
35 objects to considering the matter when it is presented.

36 **Sec. 53.** RCW 23B.07.200 and 2009 c 189 s 17 are each amended to  
37 read as follows:

1 (1) After fixing a record date for a meeting, a corporation shall  
2 prepare an alphabetical list of the names of all its shareholders on  
3 the record date who are entitled to notice of a shareholders'  
4 meeting. The list must be arranged by voting group, and within each  
5 voting group by class or series of shares, and show the address of  
6 and number of shares held by each shareholder. Nothing contained in  
7 this section requires the corporation to include on such list the  
8 electronic mail address or other electronic contact information of a  
9 shareholder.

10 (2) The shareholders' list must be available for inspection by  
11 any shareholder, beginning ten days prior to the meeting and  
12 continuing through the meeting, at the corporation's principal office  
13 or at a place identified in the meeting notice in the city where the  
14 meeting will be held. A shareholder, the shareholder's agent, or the  
15 shareholder's attorney is entitled to inspect the list, during  
16 regular business hours and at the shareholder's expense, during the  
17 period it is available for inspection.

18 (3) The corporation shall make the shareholders' list available  
19 at the meeting, and any shareholder, the shareholder's agent, or the  
20 shareholder's attorney is entitled to inspect the list at any time  
21 during the meeting or any adjournment.

22 (4) If the corporation refuses to allow a shareholder, the  
23 shareholder's agent, or the shareholder's attorney to inspect the  
24 shareholders' list before or at the meeting, the superior court of  
25 the county where a corporation's principal office, or, if none in  
26 this state, its registered office, is located, on application of the  
27 shareholder, may summarily order the inspection at the corporation's  
28 expense and may postpone the meeting for which the list was prepared  
29 until the inspection is complete.

30 (5) A shareholder's right to copy the shareholders' list, and a  
31 shareholder's right to otherwise inspect and copy the record of  
32 shareholders, is governed by RCW 23B.16.020(3).

33 (6) Refusal or failure to prepare or make available the  
34 shareholders' list does not affect the validity of corporate action  
35 approved at the meeting.

36 **Sec. 54.** RCW 23B.07.220 and 2002 c 297 s 25 are each amended to  
37 read as follows:

38 (1) A shareholder may vote the shareholder's shares in person or  
39 by proxy.

1 (2) A shareholder or the shareholder's agent or attorney-in-fact  
2 may appoint a proxy to vote or otherwise act for the shareholder  
3 by(~~(~~

4 ~~(a) Executing a writing authorizing another person or persons to~~  
5 ~~act for the shareholder as proxy. Execution may be accomplished by~~  
6 ~~the shareholder or the shareholder's authorized officer, director,~~  
7 ~~employee, or agent signing the writing or causing his or her~~  
8 ~~signature to be affixed to the writing by any reasonable means~~  
9 ~~including, but not limited to, by facsimile signature; or~~

10 ~~(b) Authorizing another person or persons to act for the~~  
11 ~~shareholder as proxy by transmitting or authorizing the transmission~~  
12 ~~of a recorded telephone call, voice mail, or other electronic~~  
13 ~~transmission to the person who will be the holder of the proxy or to~~  
14 ~~a proxy solicitation firm, proxy support service organization, or~~  
15 ~~like agent duly authorized by the person who will be the holder of~~  
16 ~~the proxy to receive the transmission, provided that the transmission~~  
17 ~~must either set forth or be submitted with information, including any~~  
18 ~~security or validation controls used, from which it can reasonably be~~  
19 ~~determined that the transmission was authorized by the shareholder.~~  
20 ~~If it is determined that the transmission is valid, the inspectors of~~  
21 ~~election or, if there are no inspectors, any officer or agent of the~~  
22 ~~corporation making that determination on behalf of the corporation~~  
23 ~~shall specify the information upon which they relied. The corporation~~  
24 ~~shall require the holders of proxies received by transmission to~~  
25 ~~provide to the corporation copies of the transmission and the~~  
26 ~~corporation shall retain copies of the transmission for a reasonable~~  
27 ~~period of time after the election provided that they are retained for~~  
28 ~~at least sixty days)) executing an appointment form, or by an~~  
29 ~~electronic transmission. An electronic transmission must contain or~~  
30 ~~be accompanied by information from which the recipient can determine~~  
31 ~~the date of the transmission and that the transmission was authorized~~  
32 ~~by the sender or the sender's agent or attorney-in-fact.~~

33 (3) An appointment of a proxy is effective when ((~~a signed~~)) an  
34 executed appointment form or ((~~telegram, cablegram, recorded~~  
35 ~~telephone call, voice mail, or other~~)) an electronic transmission of  
36 the appointment is received by the inspector((~~s~~)) of election or the  
37 officer or agent of the corporation authorized to tabulate votes. An  
38 appointment is valid for ((~~eleven months unless a longer period is~~  
39 ~~expressly~~)) the term provided in the appointment form or electronic  
40 transmission, and, if no term is provided, is valid for eleven months

1 unless the appointment is irrevocable under subsection (4) of this  
2 section.

3 (4) An appointment of a proxy is revocable by the shareholder  
4 unless the appointment (~~(indicates)~~) form or electronic transmission  
5 states that it is irrevocable and the appointment is coupled with an  
6 interest. Appointments coupled with an interest include the  
7 appointment of:

8 (a) A pledgee;

9 (b) A person who purchased or agreed to purchase the shares;

10 (c) A creditor of the corporation who extended it credit under  
11 terms requiring the appointment;

12 (d) An employee of the corporation whose employment contract  
13 requires the appointment; or

14 (e) A party to a voting agreement created under RCW 23B.07.310.

15 (5) The death or incapacity of the shareholder appointing a proxy  
16 does not affect the right of the corporation to accept the proxy's  
17 authority unless notice of the death or incapacity is received by the  
18 officer or agent of the corporation authorized to tabulate votes  
19 before the proxy exercises the proxy's authority under the  
20 appointment.

21 (6) An appointment made irrevocable under subsection (4) of this  
22 section is revoked when the interest with which it is coupled is  
23 extinguished.

24 (7) A transferee for value of shares subject to an irrevocable  
25 appointment may revoke the appointment if the transferee did not know  
26 of its existence when the transferee acquired the shares and the  
27 existence of the irrevocable appointment was not noted conspicuously  
28 on the certificate representing the shares or on the information  
29 statement for shares without certificates.

30 (8) Subject to RCW 23B.07.240 and to any express limitation on  
31 the proxy's authority stated in the appointment form or (~~(recorded~~  
32 ~~telephone call, voice mail, or other)~~) electronic transmission, a  
33 corporation is entitled to accept the proxy's vote or other action as  
34 that of the shareholder making the appointment.

35 (~~(9) For the purposes of this section only, "sign" or~~  
36 ~~"signature" includes any manual, facsimile, conformed, or electronic~~  
37 ~~signature.)~~)

38 **Sec. 55.** RCW 23B.07.240 and 2002 c 297 s 26 are each amended to  
39 read as follows:

1 (1) If the name executed on a vote, ballot, consent, waiver, or  
2 proxy appointment corresponds to the name of a shareholder, the  
3 corporation, if acting in good faith, is entitled to accept the vote,  
4 ballot, consent, waiver, or proxy appointment and give it effect as  
5 the act of the shareholder.

6 (2) If the name executed on a vote, ballot, consent, waiver, or  
7 proxy appointment does not correspond to the name of its shareholder,  
8 the corporation, if acting in good faith, is nevertheless entitled to  
9 accept the vote, ballot, consent, waiver, or proxy appointment and  
10 give it effect as the act of the shareholder if:

11 (a) The shareholder is an entity and the name executed purports  
12 to be that of an officer, partner, or agent of the entity;

13 (b) The name executed purports to be that of an administrator,  
14 executor, guardian, or conservator representing the shareholder and,  
15 if the corporation requests, evidence of fiduciary status acceptable  
16 to the corporation has been presented with respect to the vote,  
17 ballot, consent, waiver, or proxy appointment;

18 (c) The name executed purports to be that of a receiver or  
19 trustee in bankruptcy of the shareholder and, if the corporation  
20 requests, evidence of this status acceptable to the corporation has  
21 been presented with respect to the vote, consent, waiver, or proxy  
22 appointment;

23 (d) The name executed purports to be that of a pledgee,  
24 beneficial owner, or attorney-in-fact of the shareholder and, if the  
25 corporation requests, evidence acceptable to the corporation of the  
26 signatory's authority to ~~((sign))~~ execute for the shareholder has  
27 been presented with respect to the vote, ballot, consent, waiver, or  
28 proxy appointment; or

29 (e) Two or more persons are the shareholder as cotenants or  
30 fiduciaries and the name executed purports to be the name of at least  
31 one of the co-owners and the person signing appears to be acting on  
32 behalf of all the co-owners.

33 (3) The corporation is entitled to reject a vote, ballot,  
34 consent, waiver, or proxy appointment if the ~~((secretary or other  
35 officer or agent))~~ person authorized to ~~((tabulate))~~ count votes,  
36 acting in good faith, has reasonable basis for doubt about the  
37 validity of its execution.

38 (4) ~~((The))~~ Neither the corporation ~~((and its officer or agent  
39 who))~~ nor the person authorized to count votes, including an  
40 inspector of election under RCW 23B.07.035, that accepts or rejects a

1 vote, ballot, consent, waiver, or proxy appointment in good faith and  
2 in accordance with the standards of this section or RCW 23B.07.220(2)  
3 (~~are not~~) is liable in damages to the shareholder for the  
4 consequences of the acceptance or rejection.

5 (5) Corporate action based on the acceptance or rejection of a  
6 vote, ballot, consent, waiver, or proxy appointment under this  
7 section, or RCW 23B.07.220(2) is valid unless a court of competent  
8 jurisdiction determines otherwise.

9 **Sec. 56.** RCW 23B.07.300 and 2017 c 28 s 15 are each amended to  
10 read as follows:

11 (1) One or more shareholders may create a voting trust,  
12 conferring on a trustee the right to vote or otherwise act for them,  
13 by (~~signing~~) executing an agreement setting out the provisions of  
14 the trust, which may include anything consistent with its purpose,  
15 and transferring their shares to the trustee. When a voting trust  
16 agreement is (~~signed~~) executed, the trustee shall prepare a list of  
17 the names and addresses of all voting trust beneficial owners,  
18 together with the number and class of shares each voting trust  
19 beneficial owner transferred to the trust, and deliver copies of the  
20 list and agreement to the corporation's principal office.

21 (2) A voting trust becomes effective on the date the first shares  
22 subject to the trust are registered in the trustee's name.

23 (3) Limits, if any, on the duration of a voting trust are to be  
24 as set forth in the voting trust agreement. A voting trust that  
25 became effective when this section limited the term of a voting trust  
26 to ten years will remain governed by the provisions of this section  
27 then in effect relating to the duration of voting trusts, unless the  
28 voting trust agreement is amended to provide otherwise by unanimous  
29 agreement of the parties to that agreement.

30 **Sec. 57.** RCW 23B.07.310 and 1989 c 165 s 78 are each amended to  
31 read as follows:

32 (1) Two or more shareholders may provide for the manner in which  
33 they will vote their shares by (~~signing~~) executing an agreement for  
34 that purpose. A voting agreement created under this section is not  
35 subject to the provisions of RCW 23B.07.300.

36 (2) A voting agreement created under this section is specifically  
37 enforceable.

1       **Sec. 58.** RCW 23B.07.320 and 2017 c 28 s 16 are each amended to  
2 read as follows:

3       (1) An agreement among the shareholders of a corporation that is  
4 not contrary to public policy and that complies with this section is  
5 effective among the shareholders and the corporation even though it  
6 is inconsistent with one or more other provisions of this title in  
7 that it:

8       (a) Eliminates the board of directors or restricts the discretion  
9 or powers of the board of directors;

10       (b) Governs the approval or making of distributions whether or  
11 not in proportion to ownership of shares, subject to the limitations  
12 in RCW 23B.06.400;

13       (c) Establishes who shall be directors or officers of the  
14 corporation, or their terms of office or manner of selection or  
15 removal;

16       (d) Governs, in general or in regard to specific matters, the  
17 exercise or division of voting power by or between the shareholders  
18 and directors or by or among any of them, including use of weighted  
19 voting rights or director proxies;

20       (e) Establishes the terms and conditions of any agreement for the  
21 transfer or use of property or the provision of services between the  
22 corporation and any shareholder, director, officer, or employee of  
23 the corporation or among any of them;

24       (f) Transfers to one or more shareholders or other persons all or  
25 part of the authority to exercise the corporate powers or to manage  
26 the business and affairs of the corporation;

27       (g) Provides a process by which a deadlock among directors or  
28 shareholders may be resolved;

29       (h) Requires dissolution of the corporation at the request of one  
30 or more shareholders or upon the occurrence of a specified event or  
31 contingency; or

32       (i) Otherwise governs the exercise of the corporate powers or the  
33 management of the business and affairs of the corporation or the  
34 relationship among the shareholders, the directors, and the  
35 corporation, or among any of them.

36       (2) An agreement authorized by this section shall be:

37       (a) Set forth in a written agreement that is (~~signed~~) executed  
38 by all persons who are shareholders at the time of the agreement and  
39 is made known to the corporation; and

1 (b) Subject to amendment only by all persons who are shareholders  
2 at the time of the amendment, unless the agreement provides  
3 otherwise.

4 (3) The existence of an agreement authorized by this section  
5 shall be noted conspicuously on the front or back of each certificate  
6 for outstanding shares or on the information statement required by  
7 RCW 23B.06.260(2). If at the time of the agreement the corporation  
8 has shares outstanding represented by certificates, the corporation  
9 shall recall the outstanding certificates and issue substitute  
10 certificates that comply with this subsection. The failure to note  
11 the existence of the agreement on the certificate or information  
12 statement shall not affect the validity of the agreement or any  
13 action taken pursuant to it. Unless the agreement provides otherwise,  
14 any person who acquires outstanding or newly issued shares in the  
15 corporation after an agreement authorized by this section has been  
16 effected, whether by purchase, gift, operation of law, or otherwise,  
17 is deemed to have assented to the agreement and to be a party to the  
18 agreement. A purchaser of shares who is aggrieved because he or she  
19 at the time of purchase did not have actual or constructive knowledge  
20 of the existence of the agreement may either: (a) Bring an action to  
21 rescind the purchase within the earlier of ninety days after  
22 discovery of the existence of the agreement or two years after the  
23 purchase of the shares; or (b) continue to hold the shares subject to  
24 the agreement but with a right of action for any damages resulting  
25 from nondisclosure of the existence of the agreement. A purchaser  
26 shall be deemed to have constructive knowledge of the existence of  
27 the agreement if its existence is noted on the certificate or  
28 information statement for the shares in compliance with this  
29 subsection and, if the shares are not represented by a certificate,  
30 the information statement is delivered to the purchaser at or prior  
31 to the time of purchase of the shares.

32 (4) An agreement authorized by this section shall cease to be  
33 effective when shares of the corporation are listed on a national  
34 securities exchange or regularly traded in a market maintained by one  
35 or more members of a national or affiliated securities association.

36 (5) An agreement authorized by this section that limits the  
37 discretion or powers of the board of directors shall relieve the  
38 directors of, and impose upon the person or persons in whom such  
39 discretion or powers are vested, liability for acts or omissions



1 imposed by law on directors to the extent that the discretion or  
2 powers of the directors are limited by the agreement.

3 (6) The existence or performance of an agreement authorized by  
4 this section shall not be a ground for imposing personal liability on  
5 any shareholder for the acts or debts of the corporation even if the  
6 agreement or its performance treats the corporation as if it were a  
7 partnership or results in failure to observe the corporate  
8 formalities otherwise applicable to the matters governed by the  
9 agreement.

10 (7) Incorporators or subscribers for shares may act as  
11 shareholders with respect to an agreement authorized by this section  
12 if no shares have been issued when the agreement is made.

13 (8) Limits, if any, on the duration of an agreement governed by  
14 this section are to be as set forth in the agreement. An agreement  
15 governed by this section that became effective when this section  
16 limited the term of such an agreement to ten years unless the  
17 agreement provided otherwise will remain governed by the provisions  
18 of this section then in effect relating to the duration of agreements  
19 among shareholders.

20 **Sec. 59.** RCW 23B.08.070 and 2007 c 467 s 3 are each amended to  
21 read as follows:

22 (1) A director may resign at any time by delivering a written  
23 notice (~~((in the form of an executed))~~) of resignation to the board of  
24 directors, its chairperson, the president, or the secretary of the  
25 corporation.

26 (2) A (~~((notice of))~~) resignation is effective (~~((when the~~  
27 ~~resignation is delivered unless the resignation specifies a later~~  
28 ~~effective date, or an effective date))~~) as provided in RCW  
29 23B.01.410(9) unless the notice provides for a delayed effectiveness,  
30 including effectiveness determined upon (~~((the happening of an))~~) a  
31 future event or events. A (~~((notice of))~~) resignation that is  
32 conditioned upon failing to receive a specified vote for election as  
33 a director may provide that it is irrevocable.

34 **Sec. 60.** RCW 23B.08.210 and 2009 c 189 s 24 are each amended to  
35 read as follows:

36 (1) Unless the articles of incorporation or bylaws provide  
37 otherwise, corporate action required or permitted by this title to be  
38 approved at a board of directors' meeting may be approved without a

1 meeting if the corporate action is approved by all members of the  
2 board. The approval of the corporate action must be evidenced by one  
3 or more written consents describing the corporate action being  
4 approved, executed by each director either before or after the  
5 corporate action becomes effective, and delivered to the corporation  
6 for inclusion in the minutes or filing with the corporate records(~~(7~~  
7 ~~each of which consents shall be set forth either (a) in an executed~~  
8 ~~record or (b) if the corporation has designated an address, location,~~  
9 ~~or system to which the consents may be electronically transmitted and~~  
10 ~~the consent is electronically transmitted to the designated address,~~  
11 ~~location, or system, in an executed electronically transmitted~~  
12 ~~record)).~~

13 (2) A written consent in the form of an electronic transmission  
14 must contain or be accompanied by information from which the  
15 corporation can determine that the electronic transmission was  
16 transmitted by the director and the date on which the director  
17 transmitted the electronic transmission.

18 (3) Corporate action is approved under this section when the last  
19 director executes the consent.

20 ~~((3))~~ (4) A consent under this section has the effect of a  
21 meeting vote and may be described as such in any ~~((record))~~ document.

22 **Sec. 61.** RCW 23B.08.230 and 2009 c 189 s 25 are each amended to  
23 read as follows:

24 (1) A director may waive any notice required by this title, the  
25 articles of incorporation, or bylaws before or after the date and  
26 time stated in the notice, and such waiver shall be equivalent to the  
27 giving of such notice. Except as provided by subsection (2) of this  
28 section, the waiver must be ~~((delivered))~~ in writing, executed by the  
29 director entitled to the notice, and delivered to the corporation for  
30 inclusion in the minutes or filing with the corporate records(~~(7~~  
31 ~~which waiver shall be set forth either (a) in an executed record or~~  
32 ~~(b) if the corporation has designated an address, location, or system~~  
33 ~~to which the waiver may be electronically transmitted and the waiver~~  
34 ~~has been electronically transmitted to the designated address,~~  
35 ~~location, or system, in an executed electronically transmitted~~  
36 ~~record)).~~

37 (2) A director's attendance at or participation in a meeting  
38 waives any required notice to the director of the meeting unless the  
39 director at the beginning of the meeting, or promptly upon the

1 director's arrival, objects to holding the meeting or transacting  
2 business at the meeting and does not thereafter vote for or assent to  
3 any corporate action approved at the meeting.

4 **Sec. 62.** RCW 23B.08.240 and 2009 c 189 s 26 are each amended to  
5 read as follows:

6 (1) Unless the articles of incorporation or bylaws require a  
7 greater or lesser number, a quorum of a board of directors consists  
8 of a majority of the number of directors specified in or fixed in  
9 accordance with the articles of incorporation or bylaws.

10 (2) Notwithstanding subsection (1) of this section, a quorum of a  
11 board of directors may in no event be less than one-third of the  
12 number of directors specified in or fixed in accordance with the  
13 articles of incorporation or bylaws.

14 (3) If a quorum is present when a vote is taken, the affirmative  
15 vote of a majority of directors present is the act of the board of  
16 directors unless the articles of incorporation or bylaws require the  
17 vote of a greater number of directors.

18 (4) A director who is present at a meeting of the board of  
19 directors when corporate action is approved is deemed to have  
20 assented to the corporate action unless: (a) The director objects at  
21 the beginning of the meeting, or promptly upon the director's  
22 arrival, to holding it or transacting business at the meeting; (b)  
23 the director's dissent or abstention as to the corporate action is  
24 entered in the minutes of the meeting; or (c) the director delivers  
25 written notice of the director's dissent or abstention as to the  
26 corporate action to the presiding officer of the meeting before  
27 adjournment or to the corporation within a reasonable time after  
28 adjournment of the meeting. The right of dissent or abstention is not  
29 available to a director who votes in favor of the corporate action.

30 **Sec. 63.** RCW 23B.08.430 and 1989 c 165 s 103 are each amended to  
31 read as follows:

32 (1) An officer may resign at any time by delivering a written  
33 notice to the board of directors, its chairperson, or to the  
34 appointing officer or the secretary of the corporation. A resignation  
35 is effective ~~((when the notice is delivered unless the notice~~  
36 ~~specifies a later effective date))~~ as provided in RCW 23B.01.410(9)  
37 unless the notice provides for a delayed effectiveness, including  
38 effectiveness determined upon a future event or events. If

1 effectiveness of a resignation is stated to be delayed and the board  
2 of directors or the appointing officer accepts the delay, the board  
3 of directors or the appointing officer may fill the pending vacancy  
4 before the delayed effectiveness but the new officer may not take  
5 office until the vacancy occurs.

6 (2) ((A)) The board of directors may remove any officer at any  
7 time with or without cause. An officer or assistant officer(~~, if~~  
8 appointed by another officer,) may be removed by ((any officer  
9 authorized to appoint officers or assistant officers));

10 (a) An appointing officer at any time with or without cause,  
11 unless the bylaws or the board of directors provide otherwise; or

12 (b) Any other officer if authorized by the bylaws or the board of  
13 directors.

14 (3) In this section, "appointing officer" means the officer,  
15 including any successor to that officer, who appointed the officer  
16 resigning or being removed.

17 **Sec. 64.** RCW 23B.08.530 and 1989 c 165 s 108 are each amended to  
18 read as follows:

19 (1) A corporation may pay for or reimburse the reasonable  
20 expenses incurred by a director who is a party to a proceeding in  
21 advance of final disposition of the proceeding if:

22 (a) The director (~~(furnishes))~~ delivers to the corporation ((a))  
23 an executed written affirmation of the director's good faith belief  
24 that the director has met the standard of conduct described in RCW  
25 23B.08.510; and

26 (b) The director (~~(furnishes))~~ delivers to the corporation ((a))  
27 an executed written undertaking, executed personally or on the  
28 director's behalf, to repay the advance if it is ultimately  
29 determined that the director did not meet the standard of conduct.

30 (2) The undertaking required by subsection (1)(b) of this section  
31 must be an unlimited general obligation of the director but need not  
32 be secured and may be accepted without reference to financial ability  
33 to make repayment.

34 (3) Authorization of payments under this section may be made by  
35 provision in the articles of incorporation or bylaws, by resolution  
36 adopted by the shareholders or board of directors, or by contract.

37 **Sec. 65.** RCW 23B.09.020 and 2014 c 83 s 10 are each amended to  
38 read as follows:

1 A plan of entity conversion must (~~be in a record and must~~)  
2 include:

3 (1) The name of the domestic corporation before conversion;

4 (2) The name and form of the surviving entity after conversion;

5 (3) The terms and conditions of the conversion, including the  
6 manner and basis for converting interests in the domestic corporation  
7 into any combination of the interests, shares, obligations, or other  
8 securities of the surviving entity or any other entity or into cash  
9 or other property in whole or part; and

10 (4) The organic documents of the surviving entity as they will be  
11 in effect immediately after consummation of the conversion.

12 **Sec. 66.** RCW 23B.09.030 and 2014 c 83 s 11 are each amended to  
13 read as follows:

14 In the case of an entity conversion of a domestic corporation to  
15 an other entity:

16 (1) The plan of entity conversion must be adopted by the board of  
17 directors of the converting entity and the shareholders entitled to  
18 vote must approve the plan.

19 (2) After adopting a plan of entity conversion, the board of  
20 directors of the converting entity must submit the plan of entity  
21 conversion for approval by its shareholders.

22 (3) The board of directors must recommend the plan of entity  
23 conversion to the shareholders, unless (a) the board of directors  
24 makes a determination that because of conflicts of interest or other  
25 special circumstances it should not make such a recommendation; or  
26 (b) RCW 23B.08.245 applies, and in either case the board of directors  
27 communicates the basis for so proceeding to the shareholders.

28 (4) The board of directors may condition its submission of the  
29 plan of entity conversion on any basis, including the affirmative  
30 vote of holders of a specified percentage of shares held by any group  
31 of shareholders not otherwise entitled to vote as a separate voting  
32 group on the plan of entity conversion.

33 (5) In the case of an entity conversion of a domestic corporation  
34 to a foreign corporation, in addition to any other voting conditions  
35 imposed by the board of directors acting pursuant to subsection (4)  
36 of this section, approval of the plan of entity conversion requires  
37 the affirmative vote of shareholders that would be required to  
38 approve a plan of merger under RCW 23B.11.030, and of each other  
39 voting group entitled under RCW 23B.11.035 or the articles of

1 incorporation to vote separately on a plan of merger. Separate voting  
2 by additional voting groups is required on a plan of entity  
3 conversion if such voting group or groups would be entitled to vote  
4 on a plan of merger under the circumstances described in RCW  
5 23B.11.035. The articles of incorporation may require a greater or  
6 lesser vote to approve a plan of entity conversion than that provided  
7 in this subsection, or a greater or lesser vote by separate voting  
8 groups, so long as the required vote is not less than a majority of  
9 all the votes entitled to be cast on the plan of entity conversion  
10 and of each other voting group entitled to vote separately on the  
11 plan.

12 (6) In the case of an entity conversion of a domestic corporation  
13 to an other entity that is not a foreign corporation, approval of the  
14 plan of entity conversion requires the approval of all shareholders  
15 of the domestic corporation, whether or not entitled to vote under  
16 this title or the articles of incorporation.

17 (7) If as a result of the conversion one or more shareholders of  
18 the domestic corporation would become subject to owner liability for  
19 the debts, obligations, or liabilities of any other person or entity,  
20 in addition to the approval requirements under subsections (5) and  
21 (6) of this section, approval of the plan of entity conversion must  
22 also require each such shareholder to execute a separate (~~record~~  
23 ~~consenting~~) written consent to become subject to such owner  
24 liability.

25 (8) If the approval of the shareholders is to be given at a  
26 meeting, the domestic corporation must notify each shareholder,  
27 whether or not entitled to vote, of the proposed meeting of  
28 shareholders at which the plan of entity conversion is to be  
29 submitted for approval in accordance with RCW 23B.07.050. The notice  
30 must state that the purpose, or one of the purposes, of the meeting  
31 is to consider the plan of entity conversion and must contain or be  
32 accompanied by a copy or summary of the plan of entity conversion.  
33 The notice must include or be accompanied by a copy of the organic  
34 documents of the surviving entity as they will be in effect  
35 immediately after the conversion.

36 (9) If any provision of the articles of incorporation, bylaws, or  
37 an agreement to which any of the directors or shareholders of the  
38 domestic corporation are parties, adopted, or entered into before  
39 June 12, 2014, applies to a merger of the domestic corporation, other  
40 than a provision that limits or eliminates voting or dissenters'

1 rights, and the document does not refer to an entity conversion of  
2 the domestic corporation, the provision is deemed to apply to an  
3 entity conversion of the domestic corporation until the provision is  
4 subsequently amended.

5 **Sec. 67.** RCW 23B.09.040 and 2015 c 176 s 2121 are each amended  
6 to read as follows:

7 (1) After a plan of entity conversion by a domestic corporation  
8 converting into an other entity has been adopted and approved as  
9 required by this chapter, articles of entity conversion must be  
10 (~~signed~~) executed on behalf of the domestic corporation by any  
11 officer or other duly authorized representative and must be delivered  
12 to the secretary of state for filing.

13 (2) After the conversion of an other entity into a domestic  
14 corporation has been adopted and approved as required by the organic  
15 law of the converting entity, articles of entity conversion must be  
16 (~~signed~~) executed on behalf of the converting entity by any officer  
17 or other duly authorized representative and must be delivered to the  
18 secretary of state for filing.

19 (3) The articles of entity conversion must set forth:

20 (a) A statement that the converting entity has been converted  
21 into the surviving entity;

22 (b) The name and form of the converting entity before conversion;

23 (c) The name and form of the surviving entity after conversion,  
24 which must be a name that satisfies the requirements of Article 3 of  
25 chapter 23.95 RCW if the surviving entity after conversion is a  
26 domestic corporation;

27 (d) Articles of incorporation that comply with RCW 23B.02.020 if  
28 the surviving entity after conversion is a domestic corporation;

29 (e) The date the conversion is effective under the organic law of  
30 the surviving entity;

31 (f) If the converting entity is a domestic corporation, a  
32 statement that the conversion was duly approved by the shareholders  
33 of the domestic corporation pursuant to RCW 23B.09.030;

34 (g) If the converting entity is an other entity, a statement that  
35 the conversion was duly approved as required by the organic law of  
36 the converting entity; and

37 (h) If the surviving entity is a foreign other entity not  
38 authorized to transact business in this state: (i) A statement that  
39 the surviving entity consents to service of process pursuant to RCW

1 23.95.450 in a proceeding to enforce any obligation or the rights of  
2 dissenting shareholders of the domestic corporation; and (ii) the  
3 street and mailing address of the entity's principal office that may  
4 be used for service of process under RCW 23.95.450.

5 (4) The articles of entity conversion take effect at the  
6 effective time provided in RCW 23.95.210. Articles of entity  
7 conversion under subsection (1) or (2) of this section may be  
8 combined with any required conversion filing under the organic law of  
9 the other entity if the combined filing satisfies the requirements of  
10 both this section and the organic law of the other entity.

11 **Sec. 68.** RCW 23B.09.060 and 2015 c 176 s 2123 are each amended  
12 to read as follows:

13 (1) Unless otherwise provided in a plan of entity conversion of a  
14 domestic corporation, after the plan of entity conversion has been  
15 adopted and approved as required by this chapter, and at any time  
16 before the articles of entity conversion have become effective, the  
17 planned conversion may be abandoned by the board of directors without  
18 action by the shareholders.

19 (2) If any entity conversion is abandoned after articles of  
20 entity conversion have been filed with the secretary of state but  
21 before the entity conversion has become effective, a statement that  
22 the entity conversion has been abandoned in accordance with this  
23 section, (~~signed~~) executed by an officer or other duly authorized  
24 representative, must be delivered to the secretary of state for  
25 filing prior to the effective date of the entity conversion and in  
26 accordance with RCW 23.95.215. Upon filing, the statement takes  
27 effect and the entity conversion is deemed abandoned and may not  
28 become effective.

29 **Sec. 69.** RCW 23B.13.030 and 2002 c 297 s 35 are each amended to  
30 read as follows:

31 (1) A record shareholder may assert dissenters' rights as to  
32 fewer than all the shares registered in the shareholder's name only  
33 if the shareholder dissents with respect to all shares beneficially  
34 owned by any one person and delivers to the corporation a notice of  
35 the name and address of each person on whose behalf the shareholder  
36 asserts dissenters' rights. The rights of a partial dissenter under  
37 this subsection are determined as if the shares as to which the



1 dissenter dissents and the dissenter's other shares were registered  
2 in the names of different shareholders.

3 (2) A beneficial shareholder may assert dissenters' rights as to  
4 shares held on the beneficial shareholder's behalf only if:

5 (a) The beneficial shareholder (~~((submits))~~) delivers to the  
6 corporation the record shareholder's executed written consent to the  
7 dissent not later than the time the beneficial shareholder asserts  
8 dissenters' rights (~~(, which consent shall be set forth either (i) in  
9 a record or (ii) if the corporation has designated an address,  
10 location, or system to which the consent may be electronically  
11 transmitted and the consent is electronically transmitted to the  
12 designated address, location, or system, in an electronically  
13 transmitted record)~~); and

14 (b) The beneficial shareholder does so with respect to all shares  
15 of which such shareholder is the beneficial shareholder or over which  
16 such shareholder has power to direct the vote.

17 **Sec. 70.** RCW 23B.13.210 and 2009 c 189 s 43 are each amended to  
18 read as follows:

19 (1) If proposed corporate action creating dissenters' rights  
20 under RCW 23B.13.020 is submitted to a vote at a shareholders'  
21 meeting, a shareholder who wishes to assert dissenters' rights must  
22 (a) deliver to the corporation before the vote is taken written  
23 notice of the shareholder's intent to demand payment for the  
24 shareholder's shares if the proposed corporate action is effected,  
25 and (b) not vote such shares in favor of the proposed corporate  
26 action.

27 (2) If proposed corporate action creating dissenters' rights  
28 under RCW 23B.13.020 is submitted for approval without a vote of  
29 shareholders in accordance with RCW 23B.07.040, a shareholder who  
30 wishes to assert dissenters' rights must not execute the consent or  
31 otherwise vote such shares in favor of the proposed corporate action.

32 (3) A shareholder who does not satisfy the requirements of  
33 subsection (1) or (2) of this section is not entitled to payment for  
34 the shareholder's shares under this chapter.

35 **Sec. 71.** RCW 23B.13.260 and 2009 c 189 s 46 are each amended to  
36 read as follows:

37 (1) If the corporation does not effect the proposed corporate  
38 action within sixty days after the date set for demanding payment and

1 depositing share certificates, the corporation shall return the  
2 deposited certificates and release any transfer restrictions imposed  
3 on uncertificated shares.

4 (2) If after returning deposited certificates and releasing  
5 transfer restrictions, the corporation wishes to effect the proposed  
6 corporate action, it must (~~send~~) deliver a new dissenters' notice  
7 under RCW 23B.13.220 and repeat the payment demand procedure.

8 **Sec. 72.** RCW 23B.13.270 and 2009 c 189 s 47 are each amended to  
9 read as follows:

10 (1) A corporation may elect to withhold payment required by RCW  
11 23B.13.250 from a dissenter unless the dissenter was the beneficial  
12 owner of the shares before the date set forth in the dissenters'  
13 notice as the date of the first announcement to news media or to  
14 shareholders of the terms of the proposed corporate action.

15 (2) To the extent the corporation elects to withhold payment  
16 under subsection (1) of this section, after the effective date of the  
17 proposed corporate action, it shall estimate the fair value of the  
18 shares, plus accrued interest, and shall pay this amount to each  
19 dissenter who agrees to accept it in full satisfaction of the  
20 dissenter's demand. The corporation shall (~~send~~) deliver with its  
21 offer an explanation of how it estimated the fair value of the  
22 shares, an explanation of how the interest was calculated, and a  
23 statement of the dissenter's right to demand payment under RCW  
24 23B.13.280.

25 **Sec. 73.** RCW 23B.15.090 and 2015 c 176 s 2138 are each amended  
26 to read as follows:

27 The registered agent of a foreign corporation may resign as agent  
28 by (~~signing~~) executing and delivering to the secretary of state for  
29 filing a statement of resignation in accordance with RCW 23.95.445.

30 **Sec. 74.** RCW 23B.16.010 and 2015 c 176 s 2142 are each amended  
31 to read as follows:

32 (1) A corporation shall keep as permanent records minutes of all  
33 meetings of its shareholders and board of directors, a record of all  
34 corporate actions approved by the shareholders or board of directors  
35 by executed consent without a meeting, and a record of all corporate  
36 actions approved by a committee of the board of directors exercising  
37 the authority of the board of directors on behalf of the corporation.

1 (2) A corporation shall maintain appropriate accounting records.

2 (3) A corporation or its agent shall maintain a record of its  
3 current shareholders, in a form that permits preparation of a list of  
4 the names and mailing addresses of all shareholders, in alphabetical  
5 order by class of shares showing the number and class of shares held  
6 by each. Nothing contained in this section requires the corporation  
7 to include on such list the electronic mail address or other  
8 electronic contact information of a shareholder.

9 (4) A corporation shall maintain its records (~~in written form or~~  
10 ~~in another~~) specified in this section in a form capable of  
11 conversion into (~~written~~) paper form within a reasonable time.

12 (5) A corporation shall keep a copy of the following records at  
13 its principal office:

14 (a) Its articles or restated articles of incorporation and all  
15 amendments to them currently in effect;

16 (b) Its bylaws or restated bylaws and all amendments to them  
17 currently in effect;

18 (c) The minutes of all shareholders' meetings, and records of all  
19 corporate actions approved by shareholders without a meeting, for the  
20 past three years;

21 (d) The financial statements described in RCW 23B.16.200(1), for  
22 the past three years;

23 (e) All written communications (~~in the form of a record~~) to  
24 shareholders generally within the past three years;

25 (f) A list of the names and business mailing addresses of its  
26 current directors and officers; and

27 (g) Its initial report or most recent annual report delivered to  
28 the secretary of state under RCW 23.95.255.

29 **Sec. 75.** RCW 23B.16.020 and 2009 c 189 s 55 are each amended to  
30 read as follows:

31 (1) A shareholder of a corporation is entitled to inspect and  
32 copy, during regular business hours at the corporation's principal  
33 office, any of the records of the corporation described in RCW  
34 23B.16.010(5) if the shareholder gives the corporation an executed  
35 written notice of the shareholder's demand at least five business  
36 days before the date on which the shareholder wishes to inspect and  
37 copy.

38 (2) A shareholder of a corporation is entitled to inspect and  
39 copy, during regular business hours at a reasonable location

1 specified by the corporation, any of the following records of the  
2 corporation if the shareholder meets the requirements of subsection  
3 (3) of this section and gives the corporation an executed written  
4 notice of the shareholder's demand at least five business days before  
5 the date on which the shareholder wishes to inspect and copy:

6 (a) Excerpts from minutes of any meeting of the board of  
7 directors, or of any meeting of a committee of the board of directors  
8 while exercising the authority of the board of directors, minutes of  
9 any meeting of the shareholders, and records of corporate actions  
10 approved by the shareholders or board of directors or a committee  
11 thereof without a meeting, to the extent not subject to inspection  
12 under subsection (1) of this section;

13 (b) Accounting records of the corporation; and

14 (c) The record of shareholders.

15 (3) A shareholder may inspect and copy the records described in  
16 subsection (2) of this section only if:

17 (a) The shareholder's demand is made in good faith and for a  
18 proper purpose;

19 (b) The shareholder describes with reasonable particularity the  
20 shareholder's purpose and the records the shareholder desires to  
21 inspect; and

22 (c) The records are directly connected with the shareholder's  
23 purpose.

24 (4) The right of inspection granted by this section may not be  
25 abolished or limited by a corporation's articles of incorporation or  
26 bylaws.

27 (5) This section does not affect:

28 (a) The right of a shareholder to inspect records under RCW  
29 23B.07.200 or, if the shareholder is in litigation with the  
30 corporation, to the same extent as any other litigant; or

31 (b) The power of a court, independently of this title, to compel  
32 the production of corporate records for examination.

33 (6) For purposes of this section, "shareholder" includes a  
34 beneficial owner whose shares are held in a voting trust or by a  
35 nominee on the beneficial owner's behalf.

36 **Sec. 76.** RCW 23B.16.030 and 1989 c 165 s 184 are each reenacted  
37 and amended to read as follows:

38 (1) A shareholder's agent or attorney has the same inspection and  
39 copying rights as the shareholder.

1           (2) The corporation may, if reasonable, satisfy the right to copy  
2 records under RCW 23B.16.020 (~~((includes, if reasonable, the right to~~  
3 ~~receive copies made by photographic, xerographic,))~~ by furnishing  
4 copies by photocopy or other means chosen by the corporation,  
5 including furnishing copies (~~((in))~~) through an electronic (~~((or other~~  
6 ~~nonwritten form if the shareholder so requests))~~) transmission.

7           (3) The corporation may impose a reasonable charge, covering the  
8 costs of labor and material, for copies of any (~~((records))~~) documents  
9 provided to the shareholder. The charge may not exceed the estimated  
10 cost of production or reproduction of the (~~((records))~~) documents.

11           (4) The corporation may comply with a shareholder's demand to  
12 inspect the record of shareholders under RCW 23B.16.020(2)(c) by  
13 providing the shareholder with a list of its shareholders that was  
14 compiled no earlier than the date of the shareholder's demand.

15           **Sec. 77.** RCW 23B.16.200 and 2002 c 297 s 47 are each amended to  
16 read as follows:

17           (1) Not later than four months after the close of each fiscal  
18 year, and in any event prior to the annual meeting of shareholders,  
19 each corporation shall prepare (a) a balance sheet showing in  
20 reasonable detail the financial condition of the corporation as of  
21 the close of its fiscal year, and (b) an income statement showing the  
22 results of its operation during its fiscal year. Such statements may  
23 be consolidated or combined statements of the corporation and one or  
24 more of its subsidiaries, as appropriate. If financial statements are  
25 prepared by the corporation for any purpose on the basis of generally  
26 accepted accounting principles, the annual statements must also be  
27 prepared, and disclose that they are prepared, on that basis. If  
28 financial statements are prepared only on a basis other than  
29 generally accepted accounting principles, they must be prepared, and  
30 disclose that they are prepared, on the same basis as other reports  
31 and statements prepared by the corporation for the use of others.

32           (2) Upon the written request of a shareholder, the corporation  
33 shall promptly deliver to (~~((any))~~) the requesting shareholder a copy  
34 of the most recent balance sheet and income statement(~~((, which~~  
35 ~~request shall be set forth either (a) in a written record or (b) if~~  
36 ~~the corporation has designated an address, location, or system to~~  
37 ~~which the request may be electronically transmitted and the request~~  
38 ~~is electronically transmitted to the corporation at the designated~~  
39 ~~address, location, or system, in an electronically transmitted~~

1 ~~record~~). If prepared for other purposes, the corporation shall also  
2 (~~furnish~~) deliver to a requesting shareholder upon the written  
3 request of that shareholder a statement of sources and applications  
4 of funds, and a statement of changes in shareholders' equity, for the  
5 most recent fiscal year.

6 (3) If the annual financial statements are reported upon by a  
7 public accountant, the accountant's report must accompany them. If  
8 not, the statements must be accompanied by a statement of the  
9 president or the person responsible for the corporation's accounting  
10 records:

11 (a) Stating the person's reasonable belief whether the statements  
12 were prepared on the basis of generally accepted accounting  
13 principles and, if not, describing the basis of preparation; and

14 (b) Describing any respects in which the statements were not  
15 prepared on a basis of accounting consistent with the basis used for  
16 statements prepared for the preceding year.

17 (4) For purposes of this section, "shareholder" includes a  
18 beneficial owner whose shares are held in a voting trust or by a  
19 nominee on the beneficial owner's behalf.

20 **Sec. 78.** RCW 23B.25.040 and 2012 c 215 s 5 are each amended to  
21 read as follows:

22 (1) In addition to the matters required to be set forth in the  
23 articles of incorporation pursuant to RCW 23B.02.020 (1) and (2), the  
24 articles of incorporation of a social purpose corporation must set  
25 forth:

26 (a) A corporate name for the social purpose corporation that  
27 contains the words "social purpose corporation" or "SPC" as an  
28 abbreviation of those words;

29 (b) A statement that the corporation is organized as a  
30 social purpose corporation governed by this chapter;

31 (c) A statement setting forth the general social purpose or  
32 purposes for which the corporation is organized pursuant to RCW  
33 23B.25.020;

34 (d) If the corporation has designated one or more specific social  
35 purpose or purposes pursuant to RCW 23B.25.030, a statement setting  
36 forth such specific social purpose or purposes; and

37 (e) A provision that states the following: "The mission of this  
38 social purpose corporation is not necessarily compatible with and may  
39 be contrary to maximizing profits and earnings for shareholders, or

1 maximizing shareholder value in any sale, merger, acquisition, or  
2 other similar actions of the corporation."

3 (2) In addition to the matters that must be set forth in the  
4 articles of incorporation in accordance with subsection (1) of this  
5 section and the provisions that may be set forth in the articles of  
6 incorporation pursuant to RCW 23B.02.020 (5) and (6), the articles of  
7 incorporation of a social purpose corporation may contain the  
8 following provisions:

9 (a) A provision requiring the corporation's directors or officers  
10 to consider the impacts of any corporate action or proposed corporate  
11 action upon one or more of the social purposes of the corporation;

12 (b) A provision requiring the corporation to furnish to the  
13 shareholders an assessment of the overall performance of the  
14 corporation with respect to its social purpose or purposes, prepared  
15 in accordance with a third-party standard;

16 (c) A provision requiring, for any or all corporate actions, the  
17 vote of a larger proportion or of all of the shares of any class or  
18 series, or the vote or quorum for taking action of a larger  
19 proportion or of all of the directors, than is otherwise required by  
20 this title or this chapter;

21 (d) A provision requiring the approval of the shareholders for  
22 any corporate action, even though not otherwise required by this  
23 title; and

24 (e) A provision limiting the duration of the corporation's  
25 existence to a specified date.

26 (3) Prior to the issuance of shares, the corporation shall  
27 furnish a prospective shareholder with a copy of the articles of  
28 incorporation (~~(in the form of a record)~~).

29 (4) Prior to the transfer of shares, the transferor shareholder  
30 (~~(shall give)~~) must deliver written notice of the transfer to the  
31 corporation. Within a reasonable time after receiving notice, the  
32 corporation shall provide the prospective transferee with a copy of  
33 the articles of incorporation (~~(in the form of a record)~~).

34 **Sec. 79.** RCW 23B.25.070 and 2012 c 215 s 8 are each amended to  
35 read as follows:

36 (1) Shares issued by a social purpose corporation may but need  
37 not be represented by certificates.

38 (2) If shares are represented by certificates, in addition to the  
39 information required on certificates by RCW 23B.06.250 (2) and (3),

1 each share certificate must state on its face the following language  
2 in a conspicuous manner:

3 "This entity is a social purpose corporation organized under  
4 Title 23B RCW of the Washington business corporation act. The  
5 articles of incorporation of this corporation state one or  
6 more social purposes of this corporation. The corporation  
7 will furnish the shareholder this information without charge  
8 on request in writing."

9 (3) If shares are not represented by certificates, within a  
10 reasonable time after the issue or transfer of such shares, the  
11 corporation shall (~~send~~) deliver to the shareholder a (~~record~~  
12 ~~containing~~) written statement of the information required on  
13 certificates pursuant to RCW 23B.06.260(2) and the language required  
14 on certificates by subsection (2) of this section.

15 **Sec. 80.** RCW 23B.30.070 and 2017 c 28 s 7 are each amended to  
16 read as follows:

17 (1) If a defective corporate action ratified or validated under  
18 this chapter would have required under any other section of this  
19 title a (~~record~~) document to be filed with the secretary of state,  
20 then, whether or not a (~~record~~) document was previously filed in  
21 respect of that defective corporate action and in lieu of filing the  
22 (~~record~~) document otherwise required by this title, the corporation  
23 shall deliver to the secretary of state for filing articles of  
24 validation setting forth:

25 (a) The defective corporate action that was ratified or validated  
26 and, if the defective corporate action involved the purported  
27 issuance of putative shares, the number and class or series of  
28 putative shares purportedly issued;

29 (b) The date of the defective corporate action that was ratified  
30 or validated and, if the defective corporate action involved the  
31 purported issuance of putative shares, the date or dates on which the  
32 putative shares were purportedly issued;

33 (c) The nature of the failure of authorization with respect to  
34 the defective corporate action that was ratified or validated;

35 (d) A statement that the defective corporate action was (i)  
36 ratified in accordance with RCW 23B.30.030, including the date on  
37 which the board of directors ratified the defective corporate action  
38 and the date, if any, on which the shareholders approved the



1 ratification of the defective corporate action, or (ii) validated in  
2 accordance with RCW 23B.30.080, including the date on which the court  
3 validated the defective corporate action; and

4 (e) The information required by subsection (2) of this section.

5 (2) The articles of validation must also contain the following  
6 information:

7 (a) If the corporation previously filed a (~~record~~) document in  
8 respect of a defective corporate action that was ratified or  
9 validated and no changes to that (~~record~~) document are required to  
10 give effect to the ratification or validation of the defective  
11 corporate action in accordance with RCW 23B.30.040(5), the  
12 corporation shall (i) describe the (~~record~~) document, together with  
13 any articles of correction thereto, including its filing date, in the  
14 articles of validation, and (ii) attach a copy of the (~~record~~)  
15 document, together with any articles of correction thereto, to the  
16 articles of validation;

17 (b) If the corporation previously filed a (~~record~~) document in  
18 respect of a defective corporate action that was ratified or  
19 validated and any change to that (~~record~~) document is required to  
20 give effect to the ratification or validation of the defective  
21 corporate action in accordance with RCW 23B.30.040(5), the  
22 corporation shall (i) describe the previously filed (~~record~~)  
23 document, together with any articles of correction thereto, including  
24 its filing date, (ii) attach a copy of the (~~record~~) document  
25 containing all of the information required to be included under the  
26 applicable section or sections of this title to give effect to the  
27 defective corporate action that was ratified or validated to the  
28 articles of validation, and (iii) state the date and time that the  
29 (~~record~~) filing is deemed to have become effective; or

30 (c) If the corporation did not previously file a (~~record~~)  
31 document in respect of a defective corporate action that was ratified  
32 or validated and that defective corporate action would have required  
33 a filing under any other section of this title, the corporation shall  
34 (i) attach a copy of a (~~record~~) document containing all of the  
35 information required to be included under the applicable section or  
36 sections of this title to give effect to the defective corporate  
37 action that was ratified or validated to the articles of validation,  
38 and (ii) state the date and time that the (~~record~~) filing is deemed  
39 to have become effective.

1 (3) Articles of validation that comply with this section  
2 supersede any other (~~record~~) document in respect of a defective  
3 corporate action that was ratified in accordance with RCW 23B.30.030  
4 or validated in accordance with RCW 23B.30.080.

5 **Sec. 81.** RCW 24.03.005 and 2015 c 176 s 3101 are each reenacted  
6 and amended to read as follows:

7 As used in this chapter, unless the context otherwise requires,  
8 the term:

9 (1) "An officer of the corporation" means, in connection with the  
10 execution of records submitted for filing with the secretary of  
11 state, the president, a vice president, the secretary, or the  
12 treasurer of the corporation.

13 (2) "Articles of incorporation" and "articles" mean the original  
14 articles of incorporation and all amendments thereto, and includes  
15 articles of merger and restated articles.

16 (3) "Board of directors" means the group of persons vested with  
17 the management of the affairs of the corporation irrespective of the  
18 name by which such group is designated in the articles or bylaws.

19 (4) "Bylaws" means the code or codes of rules adopted for the  
20 regulation or management of the affairs of the corporation  
21 irrespective of the name or names by which such rules are designated.

22 (5) "Conforms to (~~law,~~) law," as used in connection with  
23 duties of the secretary of state in reviewing records for filing  
24 under this chapter, means the secretary of state has determined that  
25 the record complies as to form with the applicable requirements of  
26 this chapter and Article 2 of chapter 23.95 RCW.

27 (6) "Corporation" or "domestic corporation" means a corporation  
28 not for profit subject to the provisions of this chapter, except a  
29 foreign corporation.

30 (7) "Deliver" means: (a) Mailing; (b) transmission by facsimile  
31 equipment, for purposes of delivering a demand, consent, notice, or  
32 waiver to the corporation or one of its officers, directors, or  
33 members; (c) electronic transmission, in accordance with the  
34 officer's, director's, or member's consent, for purposes of  
35 delivering a demand, consent, notice, or waiver to the corporation or  
36 one of its officers, directors, or members under RCW 24.03.009; and  
37 (d) as prescribed by the secretary of state for purposes of  
38 submitting a record for filing with the secretary of state.

1 (8) "Effective date" means, in connection with a record filing  
2 made by the secretary of state, the date on which the filing becomes  
3 effective under RCW 23.95.210.

4 (9) "Electronic transmission" means an electronic communication  
5 (a) not directly involving the physical transfer of a record in a  
6 tangible medium and (b) that may be retained, retrieved, and reviewed  
7 by the sender and the recipient thereof, and that may be directly  
8 reproduced in a tangible medium by a sender and recipient.

9 (10) "Electronically transmitted" means the initiation of an  
10 electronic transmission.

11 (11) "Execute," "executes," or "executed" means with present  
12 intent to authenticate or adopt a record:

13 (a) (~~signed, with respect to a written record or~~) To sign or  
14 adopt a tangible symbol;

15 (b) (~~electronically transmitted along with sufficient~~  
16 ~~information to determine the sender's identity, with respect to an~~  
17 ~~electronic transmission,~~) To attach to or logically associate with  
18 the record an electronic symbol, sound, or process; or

19 (c) Filed in compliance with the standards for filing with the  
20 office of the secretary of state as prescribed by the secretary of  
21 state, with respect to a record to be filed with the secretary of  
22 state.

23 (12) "Executed by an officer of the corporation," or words of  
24 similar import, means that any record executed by such person shall  
25 be and is executed by that person under penalties of perjury and in  
26 an official and authorized capacity on behalf of the corporation or  
27 person making the record submission with the secretary of state and,  
28 for the purpose of records filed electronically with the secretary of  
29 state, in compliance with the rules adopted by the secretary of state  
30 for electronic filing.

31 (13) "Foreign corporation" means a corporation not for profit  
32 organized under laws other than the laws of this state.

33 (14) "Insolvent" means inability of a corporation to pay debts as  
34 they become due in the usual course of its affairs.

35 (15) "Member" means an individual or entity having membership  
36 rights in a corporation in accordance with the provisions of its  
37 articles of incorporation or bylaws.

38 (16) "Not for profit corporation" or "nonprofit corporation"  
39 means a corporation no part of the income of which is distributable  
40 to its members, directors or officers.

1 (17) "Public benefit not for profit corporation" or "public  
2 benefit nonprofit corporation" means a corporation no part of the  
3 income of which is distributable to its members, directors, or  
4 officers and that holds a current tax exempt status as provided under  
5 26 U.S.C. Sec. 501(c)(3) or is specifically exempted from the  
6 requirement to apply for its tax exempt status under 26 U.S.C. Sec.  
7 501(c)(3).

8 (18) "Record" means information that is inscribed on a tangible  
9 medium or ~~((contained in an electronic transmission))~~ that is stored  
10 in an electronic or other medium and is retrievable in perceivable  
11 form.

12 (19) "Registered office" means the address of the corporation's  
13 registered agent.

14 (20) "Tangible medium" means a writing, copy of a writing,  
15 facsimile, or a physical reproduction, each on paper or on other  
16 tangible material.

17 ~~((21) "Writing" does not include an electronic transmission.~~  
18 ~~(22) "Written" means embodied in a tangible medium.))~~

19 **Sec. 82.** RCW 25.10.011 and 2015 c 176 s 6101 are each amended to  
20 read as follows:

21 The definitions in this section apply throughout this chapter  
22 unless the context clearly requires otherwise.

23 (1) "Certificate of limited partnership" means the certificate  
24 required by RCW 25.10.201, including the certificate as amended or  
25 restated.

26 (2) "Contribution," except in the term "right of contribution,"  
27 means any benefit provided by a person to a limited partnership in  
28 order to become a partner or in the person's capacity as a partner.

29 (3) "Debtor in bankruptcy" means a person that is the subject of:

30 (a) An order for relief under Title 11 of the United States Code  
31 or a comparable order under a successor statute of general  
32 application; or

33 (b) A comparable order under federal, state, or foreign law  
34 governing insolvency.

35 (4) "Designated office" means the principal office indicated in  
36 the limited partnership's most recent annual report, or, if the  
37 principal office is not located within this state, the office of the  
38 limited partnership's registered agent.

1 (5) "Distribution" means a transfer of money or other property  
2 from a limited partnership to a partner in the partner's capacity as  
3 a partner or to a transferee on account of a transferable interest  
4 owned by the transferee.

5 (6) "Foreign limited liability limited partnership" means a  
6 foreign limited partnership whose general partners have limited  
7 liability for the obligations of the foreign limited partnership  
8 under a provision similar to RCW 25.10.401(3).

9 (7) "Foreign limited partnership" means a partnership formed  
10 under the laws of a jurisdiction other than this state and required  
11 by those laws to have one or more general partners and one or more  
12 limited partners. "Foreign limited partnership" includes a foreign  
13 limited liability limited partnership.

14 (8) "General partner" means:

15 (a) With respect to a limited partnership, a person that:

16 (i) Becomes a general partner under RCW 25.10.371; or

17 (ii) Was a general partner in a limited partnership when the  
18 limited partnership became subject to this chapter under RCW  
19 25.10.911 (1) or (2); and

20 (b) With respect to a foreign limited partnership, a person that  
21 has rights, powers, and obligations similar to those of a general  
22 partner in a limited partnership.

23 (9) "Limited liability limited partnership," except in the term  
24 "foreign limited liability limited partnership," means a limited  
25 partnership whose certificate of limited partnership states that the  
26 limited partnership is a limited liability limited partnership.

27 (10) "Limited partner" means:

28 (a) With respect to a limited partnership, a person that:

29 (i) Becomes a limited partner under RCW 25.10.301; or

30 (ii) Was a limited partner in a limited partnership when the  
31 limited partnership became subject to this chapter under RCW  
32 25.10.911 (1) or (2); and

33 (b) With respect to a foreign limited partnership, a person that  
34 has rights, powers, and obligations similar to those of a limited  
35 partner in a limited partnership.

36 (11) "Limited partnership," except in the terms "foreign limited  
37 partnership" and "foreign limited liability limited partnership,"  
38 means an entity, having one or more general partners and one or more  
39 limited partners, that is formed under this chapter by two or more  
40 persons or becomes subject to this chapter under article 11 of this

1 chapter or RCW 25.10.911 (1) or (2). "Limited partnership" includes a  
2 limited liability limited partnership.

3 (12) "Partner" means a limited partner or general partner.

4 (13) "Partnership agreement" means the partners' agreement,  
5 whether oral, implied, in a record, or in any combination, concerning  
6 the limited partnership. "Partnership agreement" includes the  
7 agreement as amended.

8 (14) "Person" means an individual, corporation, business trust,  
9 estate, trust, partnership, limited liability company, association,  
10 joint venture, government; governmental subdivision, agency, or  
11 instrumentality; public corporation, or any other legal or commercial  
12 entity.

13 (15) "Person dissociated as a general partner" means a person  
14 dissociated as a general partner of a limited partnership.

15 (16) "Principal office" means the office where the principal  
16 executive office of a limited partnership or foreign limited  
17 partnership is located, whether or not the office is located in this  
18 state.

19 (17) "Record" means information that is inscribed on a tangible  
20 medium or that is stored in an electronic or other medium and is  
21 retrievable in perceivable form.

22 (18) "Required information" means the information that a limited  
23 partnership is required to maintain under RCW 25.10.091.

24 (19) "Sign" means, with present intent to authenticate or adopt a  
25 record:

26 (a) To ~~((sign with respect to a written record))~~ execute or adopt  
27 a tangible symbol;

28 (b) To ~~((electronically transmit along with sufficient~~  
29 ~~information to determine the sender's identity with respect to an~~  
30 ~~electronic transmission))~~ attach to or logically associate with the  
31 record an electronic symbol, sound, or process; or

32 (c) With respect to a record to be filed with the secretary of  
33 state, to comply with the standard for filing with the office of the  
34 secretary of state as prescribed by the secretary of state.

35 (20) "State" means a state of the United States, the District of  
36 Columbia, Puerto Rico, the United States Virgin Islands, or any  
37 territory or insular possession subject to the jurisdiction of the  
38 United States.

1       (21) "Tangible medium" means a writing, copy of a writing,  
2 facsimile, or a physical reproduction, each on paper or on other  
3 tangible material.

4       (22) "Transfer" includes an assignment, conveyance, deed, bill of  
5 sale, lease, mortgage, security interest, encumbrance, gift, and  
6 transfer by operation of law.

7       ~~((22))~~ (23) "Transferable interest" means a partner's right to  
8 receive distributions.

9       ~~((23))~~ (24) "Transferee" means a person to which all or part of  
10 a transferable interest has been transferred, whether or not the  
11 transferor is a partner.

12       **Sec. 83.** RCW 25.15.006 and 2015 c 188 s 1 are each amended to  
13 read as follows:

14       The definitions in this section apply throughout this chapter  
15 unless the context clearly requires otherwise.

16       (1) "Agreed value" means the value of the contributions made by a  
17 member to the limited liability company. Such value shall equal the  
18 amount agreed upon in a limited liability company agreement or, if no  
19 value is agreed upon, the value shall be determined based on the  
20 records of the limited liability company.

21       (2) "Certificate of formation" means the certificate of formation  
22 required by RCW 25.15.071 and such certificate as amended or  
23 restated.

24       (3) "Distribution" means a transfer of money or other property  
25 from a limited liability company to a member in the member's capacity  
26 as a member or to a transferee on account of a transferable interest  
27 owned by the transferee.

28       (4) "Execute," "executes," or "executed" means ~~((, with respect to~~  
29 ~~a record, either (a) signed with respect to a written record or (b)~~  
30 ~~electronically transmitted along with sufficient information to~~  
31 ~~determine the sender's identity with respect to an electronic~~  
32 ~~transmission)) with present intent to authenticate or adopt a record:~~

33       (a) To sign or adopt a tangible symbol; or

34       (b) To attach to or logically associate with the record an  
35 electronic symbol, sound, or process.

36       (5) "Foreign limited liability company" means an unincorporated  
37 entity formed under the law of a jurisdiction other than this state  
38 and denominated by that law as a limited liability company.

1 (6) "Limited liability company" or "domestic limited liability  
2 company" means a limited liability company having one or more members  
3 or transferees that is formed under this chapter.

4 (7) "Limited liability company agreement" means the agreement,  
5 including the agreement as amended or restated, whether oral,  
6 implied, in a record, or in any combination, of the member or members  
7 of a limited liability company concerning the affairs of the limited  
8 liability company and the conduct of its business.

9 (8) "Manager" means a person, or a board, committee, or other  
10 group of persons, named as a manager of a limited liability company  
11 in, or designated as a manager of a limited liability company  
12 pursuant to, a limited liability company agreement.

13 (9) "Manager-managed" means, with respect to a limited liability  
14 company, that the limited liability company agreement vests  
15 management of the limited liability company in one or more managers.

16 (10) "Member" means a person who has been admitted to a limited  
17 liability company as a member as provided in RCW 25.15.116 and who  
18 has not been dissociated from the limited liability company.

19 (11) "Member-managed" means, with respect to a limited liability  
20 company, that the limited liability company is not manager-managed.

21 (12) "Person" means an individual, corporation, business trust,  
22 estate, trust, partnership, limited partnership, limited liability  
23 company, association, joint venture, government, governmental  
24 subdivision, agency, or instrumentality or any other legal or  
25 commercial entity.

26 (13) "Principal office" means the office, in or out of this  
27 state, so designated in the annual report, where the principal  
28 executive offices of a domestic or foreign limited liability company  
29 are located.

30 (14) "Professional limited liability company" means a limited  
31 liability company that is formed in accordance with RCW 25.15.046 for  
32 the purpose of rendering professional service.

33 (15) "Professional service" means the same as defined under RCW  
34 18.100.030.

35 (16) "Record" means information that is inscribed on a tangible  
36 medium or that is stored in an electronic or other medium and is  
37 retrievable in perceivable form.

38 (17) "State" means a state of the United States, the District of  
39 Columbia, Puerto Rico, the United States Virgin Islands, or any



1 territory or insular possession subject to the jurisdiction of the  
2 United States.

3 (18) "Tangible medium" means a writing, copy of a writing,  
4 facsimile, or a physical reproduction, each on paper or on other  
5 tangible material.

6 (19) "Transfer" includes an assignment, conveyance, deed, bill of  
7 sale, lease, gift, and transfer by operation of law, except as  
8 otherwise provided in RCW 25.15.251(6).

9 ((+19)) (20) "Transferable interest" means a member's or  
10 transferee's right to receive distributions of the limited liability  
11 company's assets.

12 ((+20)) (21) "Transferee" means a person to which all or part of  
13 a transferable interest has been transferred, whether or not the  
14 transferor is a member.

15 **Sec. 84.** RCW 26.52.030 and 1999 c 184 s 5 are each amended to  
16 read as follows:

17 (1) A person entitled to protection who has a valid foreign  
18 protection order may file that order by presenting a certified,  
19 authenticated, or exemplified copy of the foreign protection order to  
20 a clerk of the court of a Washington court in which the person  
21 entitled to protection resides or to a clerk of the court of a  
22 Washington court where the person entitled to protection believes  
23 enforcement may be necessary. Any out-of-state department, agency, or  
24 court responsible for maintaining protection order records, may by  
25 facsimile or electronic transmission send a reproduction of the  
26 foreign protection order to the clerk of the court of Washington as  
27 long as it contains a facsimile or ((digital)) electronic signature  
28 by any person authorized to make such transmission.

29 (2) Filing of a foreign protection order with a court and entry  
30 of the foreign protection order into any computer-based criminal  
31 intelligence information system available in this state used by law  
32 enforcement agencies to list outstanding warrants are not  
33 prerequisites for enforcement of the foreign protection order.

34 (3) The court shall accept the filing of a foreign protection  
35 order without a fee or cost.

36 (4) The clerk of the court shall provide information to a person  
37 entitled to protection of the availability of domestic violence,  
38 sexual abuse, and other services to victims in the community where  
39 the court is located and in the state.

1 (5) The clerk of the court shall assist the person entitled to  
2 protection in completing an information form that must include, but  
3 need not be limited to, the following:

4 (a) The name of the person entitled to protection and any other  
5 protected parties;

6 (b) The name and address of the person who is subject to the  
7 restraint provisions of the foreign protection order;

8 (c) The date the foreign protection order was entered;

9 (d) The date the foreign protection order expires;

10 (e) The relief granted under . . . . . (specify the  
11 relief awarded and citations thereto, and designate which of the  
12 violations are arrestable offenses);

13 (f) The judicial district and contact information for court  
14 administration for the court in which the foreign protection order  
15 was entered;

16 (g) The social security number, date of birth, and description of  
17 the person subject to the restraint provisions of the foreign  
18 protection order;

19 (h) Whether the person who is subject to the restraint provisions  
20 of the foreign protection order is believed to be armed and  
21 dangerous;

22 (i) Whether the person who is subject to the restraint provisions  
23 of the foreign protection order was served with the order, and if so,  
24 the method used to serve the order;

25 (j) The type and location of any other legal proceedings between  
26 the person who is subject to the restraint provisions and the person  
27 entitled to protection.

28 An inability to answer any of the above questions does not  
29 preclude the filing or enforcement of a foreign protection order.

30 (6) The clerk of the court shall provide the person entitled to  
31 protection with a copy bearing proof of filing with the court.

32 (7) Any assistance provided by the clerk under this section does  
33 not constitute the practice of law. The clerk is not liable for any  
34 incomplete or incorrect information that he or she is provided.

35 **Sec. 85.** RCW 41.05.014 and 2009 c 201 s 2 are each amended to  
36 read as follows:

37 (1) The (~~administrator~~) director may require applications,  
38 enrollment forms, and eligibility certification documents for  
39 benefits that are administered by the authority under this chapter

1 and (~~chapters~~) chapter 70.47 (~~and 70.47A~~) RCW to be signed by the  
2 person submitting them. The (~~administrator~~) director may accept  
3 electronic signatures.

4 (2) For the purpose of this section, "electronic signature" means  
5 (~~a signature in electronic form attached to or logically associated~~  
6 ~~with an electronic record including, but not limited to, a digital~~  
7 ~~signature~~) an electronic sound, symbol, or process attached to or  
8 logically associated with a record and executed or adopted by a  
9 person with the intent to sign the record.

10 **Sec. 86.** RCW 58.09.050 and 2019 c 132 s 6 are each amended to  
11 read as follows:

12 The records of survey to be filed under authority of this chapter  
13 shall be processed as follows:

14 (1)(a) The record of survey filed under RCW 58.09.040(1) shall be  
15 an original map, eighteen by twenty-four inches, that is legibly  
16 drawn in black ink on mylar and is suitable for producing legible  
17 prints through scanning, microfilming, or other standard copying  
18 procedures.

19 (b) The following are allowable formats for the original that may  
20 be used in lieu of the format set forth under (a) of this subsection:

21 (i) Photo mylar with original signatures;

22 (ii) Any standard material as long as the format is compatible  
23 with the auditor's recording process and records storage system. This  
24 format is only allowed in those counties that are excepted from  
25 permanently storing the original document as required in RCW  
26 58.09.110(5);

27 (iii) An electronic version of the original if the county has the  
28 capability to accept (~~a digital signature issued by a certification~~  
29 ~~authority under~~) electronic signatures which meet the standards  
30 provided by the rules adopted by the Washington state board of  
31 registration for professional engineers and land surveyors, and can  
32 import electronic files into an imaging system. The electronic  
33 version shall be a standard raster file format acceptable to the  
34 county.

35 A two inch margin on the left edge and a one-half inch margin on  
36 other edges of the map shall be provided. The auditor shall reject  
37 for recording any maps not suitable for producing legible prints  
38 through scanning, microfilming, or other standard copying procedures.

1 (2) Information required by RCW 58.09.040(2) shall be filed on a  
2 standard form eight and one-half inches by fourteen inches as  
3 designed and prescribed by the department of natural resources. The  
4 auditor shall reject for recording any records of corner information  
5 not suitable for producing legible prints through scanning,  
6 microfilming, or other standard copying procedures. An electronic  
7 version of the standard form may be filed if the county has the  
8 capability to accept (~~a digital signature issued by a certification~~  
9 ~~authority under~~) electronic signatures which meet the standards  
10 provided by the rules adopted by the Washington state board of  
11 registration for professional engineers and land surveyors, and can  
12 import electronic files into an imaging system. The electronic  
13 version shall be a standard raster file format acceptable to the  
14 county.

15 (3) Two legible prints of each record of survey as required under  
16 the provisions of this chapter shall be furnished to the county  
17 auditor in the county in which the survey is to be recorded. The  
18 auditor, in those counties using imaging systems, may require only  
19 the original, and fewer prints, as needed, to meet the requirements  
20 of their duties. If any of the prints submitted are not suitable for  
21 scanning or microfilming the auditor shall not record the original.

22 (4) Legibility requirements are set forth in the recorder's  
23 checklist under RCW 58.09.110.

24 **Sec. 87.** RCW 58.09.110 and 2019 c 132 s 7 are each amended to  
25 read as follows:

26 The auditor shall accept for recording those records of survey  
27 and records of corner information that are in compliance with the  
28 recorder's checklist as jointly developed by a committee consisting  
29 of the survey advisory board and two representatives from the  
30 Washington state association of county auditors. This checklist shall  
31 be adopted in rules by the department of natural resources.

32 (1) The auditor shall keep proper indexes of such record of  
33 survey by the name of owner and by quarter-quarter section, township,  
34 and range, with reference to other legal subdivisions.

35 (2) The auditor shall keep proper indexes of the record of corner  
36 information by section, township, and range.

37 (3) After entering the recording data on the record of survey and  
38 all prints received from the surveyor, the auditor shall send one of  
39 the surveyor's prints to the department of natural resources in

1 Olympia, Washington, for incorporation into the statewide survey  
2 records repository. However, the county and the department of natural  
3 resources may mutually agree to process the original or an electronic  
4 version of the original in lieu of the surveyor's print.

5 (4) After entering the recording data on the record of corner  
6 information the auditor shall send a legible copy, suitable for  
7 scanning, to the department of natural resources in Olympia,  
8 Washington. However, the county and the department of natural  
9 resources may mutually agree to process the original or an electronic  
10 version of the original in lieu of the copy.

11 (5) The auditor shall permanently keep the original document  
12 filed using storage and handling processes that do not cause  
13 excessive deterioration of the document. A county may be excepted  
14 from the requirement to permanently store the original document if it  
15 has a document scanning, filming, or other process that creates a  
16 permanent, archival record that meets or surpasses the standards as  
17 adopted in rule by the division of archives and records management in  
18 chapter 434-663 or 434-677 WAC. The auditor must be able to provide  
19 full-size copies upon request. The auditor shall maintain a copy or  
20 image of the original for public reference.

21 (6) If the county has the capability to accept ((~~a digital~~  
22 ~~signature issued by a certification authority under~~)) electronic  
23 signatures which meet the standards provided by the rules adopted by  
24 the Washington state board of registration for professional engineers  
25 and land surveyors, and can import electronic files into an imaging  
26 system, the auditor may accept for recording electronic versions of  
27 the documents required by this chapter. The electronic version shall  
28 be a standard raster file format acceptable to the county.

29 (7) This section does not supersede other existing recording  
30 statutes.

31 **Sec. 88.** RCW 69.41.041 and 2016 c 148 s 7 are each amended to  
32 read as follows:

33 (1) A pharmacy may dispense legend drugs to the resident of a  
34 long-term care facility or hospice program on the basis of a written  
35 or ((~~digitally~~)) electronically signed prescription or chart order  
36 sent via facsimile copy by the prescriber to the long-term care  
37 facility or hospice program, and communicated or transmitted to the  
38 pharmacy pursuant to RCW 18.64.550.

1 (2) For the purpose of this section, the terms "long-term care  
2 facility," "hospice program," and "chart order" have the meanings  
3 provided in RCW 18.64.011.

4 **Sec. 89.** RCW 69.41.055 and 2019 c 314 s 13 are each amended to  
5 read as follows:

6 (1) Information concerning an original prescription or  
7 information concerning a prescription refill for a legend drug may be  
8 electronically communicated between an authorized practitioner and a  
9 pharmacy of the patient's choice with no intervening person having  
10 access to the prescription drug order pursuant to the provisions of  
11 this chapter if the electronically communicated prescription  
12 information complies with the following:

13 (a) Electronically communicated prescription information must  
14 comply with all applicable statutes and rules regarding the form,  
15 content, recordkeeping, and processing of a prescription or order for  
16 a legend drug;

17 (b) An explicit opportunity for practitioners must be made to  
18 indicate their preference on whether or not a therapeutically  
19 equivalent generic drug or interchangeable biological product may be  
20 substituted. This section does not limit the ability of practitioners  
21 and pharmacists to permit substitution by default under a prior-  
22 consent authorization;

23 (c) Prescription drug orders are confidential health information,  
24 and may be released only to the patient or the patient's authorized  
25 representative, the prescriber or other authorized practitioner then  
26 caring for the patient, or other persons specifically authorized by  
27 law to receive such information;

28 (d) To maintain confidentiality of prescription records, the  
29 electronic system shall have adequate security and systems safeguards  
30 designed to prevent and detect unauthorized access, modification, or  
31 manipulation of these records; and

32 (e) The pharmacist shall exercise professional judgment regarding  
33 the accuracy, validity, and authenticity of the prescription drug  
34 order received by way of electronic transmission, consistent with  
35 federal and state laws and rules and guidelines of the commission.

36 (2) The electronic (~~or digital~~) signature of the prescribing  
37 practitioner's agent on behalf of the prescribing practitioner for a  
38 resident in a long-term care facility or hospice program, pursuant to  
39 a valid order and authorization under RCW 18.64.550, constitutes a

1 valid electronic communication of prescription information. Such an  
2 authorized signature and transmission by an agent in a long-term care  
3 facility or hospice program does not constitute an intervening person  
4 having access to the prescription drug order.

5 (3) The commission may adopt rules implementing this section.

6 **Sec. 90.** RCW 74.08.055 and 2009 c 201 s 1 are each amended to  
7 read as follows:

8 (1) Each applicant for or recipient of public assistance shall  
9 complete and sign a physical application or, if available, electronic  
10 application for assistance which shall contain or be verified by a  
11 written declaration that it is signed under the penalties of perjury.  
12 The department may make electronic applications available. The  
13 secretary, by rule and regulation, may require that any other forms  
14 filled out by applicants or recipients of public assistance shall  
15 contain or be verified by a written declaration that it is made under  
16 the penalties of perjury and such declaration shall be in lieu of any  
17 oath otherwise required, and each applicant shall be so informed at  
18 the time of the signing. The application and signature verification  
19 shall be in accordance with federal requirements for that program.

20 (2) Any applicant for or recipient of public assistance who  
21 willfully makes and signs any application, statement, other paper, or  
22 electronic record which contains or is verified by a written  
23 declaration that it is made under the penalties of perjury and which  
24 he or she does not believe to be true and correct as to every  
25 material matter is guilty of a class B felony punishable according to  
26 chapter 9A.20 RCW.

27 (3) As used in this section:

28 (a) "Electronic record" means a record created, generated, sent,  
29 communicated, received, or stored by electronic means (~~for use in an~~  
30 ~~information system or for transmission from one information system to~~  
31 ~~another~~).

32 (~~"Electronic signature" means a signature in electronic form~~  
33 ~~attached to or logically associated with an electronic record~~  
34 ~~including, but not limited to, a digital signature. An electronic~~  
35 ~~signature is a paperless way to sign a document using an electronic~~  
36 ~~sound, symbol, or process, attached to or logically associated with a~~  
37 ~~record and executed or adopted by a person with the intent to sign~~  
38 ~~the record.~~

1       ~~(e)~~) "Sign" includes signing by physical signature, if  
2 available, or electronic signature. An application must contain a  
3 signature in either physical or, if available, electronic form.

4       NEW SECTION.   **Sec. 91.** The following acts or parts of acts are  
5 each repealed:

- 6       (1) RCW 19.360.010 (Intent) and 2015 c 72 s 1;
- 7       (2) RCW 19.360.020 (State and local agencies—Electronic  
8 signatures and records—Use and acceptance) and 2016 c 95 s 2 & 2015 c  
9 72 s 2;
- 10      (3) RCW 19.360.030 (Definition—"Electronic signature"—Use of  
11 term) and 2016 c 95 s 3 & 2015 c 72 s 3;
- 12      (4) RCW 19.360.040 (Definition—"Record"—Use of term) and 2016 c  
13 95 s 4 & 2015 c 72 s 4;
- 14      (5) RCW 19.360.050 (Definition—"Electronic"—Use of term) and  
15 2016 c 95 s 5 & 2015 c 72 s 5;
- 16      (6) RCW 19.360.060 (Definitions—"State agency" and "local  
17 agency") and 2016 c 95 s 6 & 2015 c 72 s 6;
- 18      (7) RCW 19.400.010 (Intent) and 2019 c 153 s 1;
- 19      (8) RCW 19.400.020 (Definitions) and 2019 c 153 s 2; and
- 20      (9) RCW 19.400.030 (Electronic records—Legal status) and 2019 c  
21 153 s 3.

22       NEW SECTION.   **Sec. 92.** Sections 1 through 20 of this act  
23 constitute a new chapter in Title 1 RCW.

24       NEW SECTION.   **Sec. 93.** Section 25 of this act expires July 1,  
25 2021.

26       NEW SECTION.   **Sec. 94.** SEVERABILITY. If any provision of this  
27 act or its application to any person or circumstance is held invalid,  
28 the remainder of the act or the application of the provision to other  
29 persons or circumstances is not affected.

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