

**TO:**           **The Honorable Les Mason, the Honorable Ken Corbet, Ranking Minority Member Brandon Whipple, and Members of the House Committee on Commerce, Labor and Economic Development**

**FROM:**       **Robert Bruchman**

**RE:**           **House Bill 2038; an Act concerning business entities; relating to fees for certain filings with the secretary of state; exemptions for certain veterans and current members of the armed forces.**

**DATE:**       **January 23, 2017**

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Chairman Mason, Vice Chairman Corbet, Ranking Minority Member Whipple and Members of the House Committee on Commerce, Labor and Economic Development:

I am the author of HB 2038 and I appreciate the opportunity to appear today to brief the Committee and answer questions relating to this bill. HB 2038 would waive the filing fees to start a new business in the state of Kansas for members of the armed forces and veterans.

This bill is important for a number of reasons. First and foremost, waiving the fees for veterans is a way to honor those who have served our country and call our state home. This legislation will give active military members and veterans an extra incentive and encouragement to start their businesses here in Kansas. By waiving the fees associated with starting a new business, our state is encouraging soldiers to pursue new ideas, launch new and innovative companies, and create jobs for themselves and others here in Kansas.

Furthermore, this legislation could provide additional assistance to veterans as they transition to the private sector that will ultimately benefit all of our state's citizens. These service men and women have learned great skills and leadership in the military, which make them well positioned to start and grow their own businesses. Further, these veteran owned businesses are eligible to receive SBA training and resources available exclusively to veterans, further positioning them for success. As a result, this legislation will not only help veterans transition back into civilian life, but also boost the start-up economy in Kansas as well.

Missouri and Pennsylvania have both passed similar laws exempting veterans, in addition to active duty military, from paying a filing fee for starting a new business in those states.

The current filing fees collected by the Kansas Secretary of State for forming the following business entities are: corporation- \$90; nonprofit corporation- \$20; limited liability company- \$165; limited liability partnership- \$165; and limited partnership- \$165.

Thank you for the opportunity to appear today. I would be happy to stand for any questions you may have on the bill.

Respectfully,

Rob Bruchman

**48-3601. Certain servicemembers, veterans and dependents deemed residents for purpose of tuition and fees.** (a) A current member of the armed forces of the United States or the member's spouse or dependent child who is enrolled or has been accepted for admission at a postsecondary educational institution as a postsecondary student shall be deemed to be a resident of the state for the purpose of tuition and fees for attendance at such postsecondary educational institution.

(b) A person is entitled to pay tuition and fees at an institution of higher education at the rates provided for Kansas residents without regard to the length of time the person has resided in the state if the person:

(1) (A) Files a letter of intent to establish residence in the state with the postsecondary educational institution at which the person intends to register; (B) lives in the state while attending the postsecondary educational institution; and (C) is eligible for benefits under the federal post-9/11 veterans educational assistance act of 2008, 38 U.S.C. § 3301 et seq., or any other federal law authorizing educational benefits for veterans;

(2) (A) is a veteran; (B) was permanently stationed in Kansas during service in the armed forces or had established residency in Kansas prior to service in the armed forces; and (C) lives in Kansas at the time of enrollment; or

(3) (A) is the spouse or dependent of a veteran who was permanently stationed in Kansas during such veteran's service in the armed forces or had established residency in Kansas prior to service in the armed forces; and (B) lives in Kansas at the time of enrollment.

(c) As used in this section:

(1) "Armed forces" means the army, navy, marine corps, air force, coast guard, Kansas army or air national guard or any branch of the military reserves of the United States;

(2) "postsecondary educational institution" means the same as provided in K.S.A. 74-3201b, and amendments thereto;

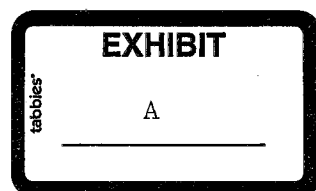
(3) "school year 2015-2016" means July 1, 2015 through June 30, 2016; and

(4) "veteran" means a person who has been separated from the armed forces and was honorably discharged or received a general discharge under honorable conditions.

(d) Any person enrolled in a postsecondary educational institution at any time during school year 2015-2016 who would have been entitled to tuition and fee rates for a Kansas resident pursuant to subsection (b)(2) or (3) had such subsection been in effect, but who paid more than such tuition and fee rates for school year 2015-2016 shall be entitled to reimbursement of the difference between any tuition and fee rates such person paid for school year 2015-2016 and the tuition and fee rate such person would have paid as a Kansas resident if such subsection had been in effect.

(e) This section shall be part of and supplemental to chapter 48 of the Kansas Statutes Annotated, and amendments thereto.

**History:** L. 2015, ch. 76, § 3; L. 2016, ch. 21, § 1; July 1.





KANSAS SECRETARY OF STATE  
**Kansas Limited Liability Company**  
**Articles of Organization**  
 Instructions

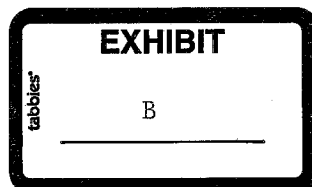
**Kansas Office of the Secretary of State:**

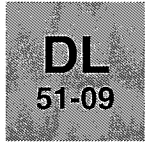
Memorial Hall, 1st Floor (785) 296-4564  
 120 S.W. 10th Avenue kssos@sos.ks.gov  
 Topeka, KS 66612-1594 www.sos.ks.gov

All information on the articles of organization **must be complete** and accompanied by the **correct filing fee** or the document will **not** be accepted for filing.

Save time and money by filing your articles of organization online at **www.sos.ks.gov**. There, you can also stay up-to-date on your organization's status, annual report due date, and contact addresses.

<input type="checkbox"/> <b>Filing fee</b>	The filing fee for this document is <b>\$165</b> .
<input type="checkbox"/> <b>Payment</b>	Please enclose a check or money order payable to the Secretary of State. Articles received without the appropriate fee will not be accepted for filing. Please do not send cash. <b>NOTICE:</b> There is a \$25 service fee for all checks returned by your financial institution. <b>Also, to expedite processing, please do not use staples on your documents or to attach checks.</b>
<input type="checkbox"/> <b>Company name</b>	A word of organization must be included in the name per K.S.A. 17-7673. Permitted words of organization are "Limited Company", "Limited Liability Company", or the abbreviation "L.C.", "L.L.C.", "LC" or "LLC". Kansas Statutes can be reviewed at <b>www.kslegislature.org</b> .
<input type="checkbox"/> <b>Resident agent</b>	The resident agent is a person or entity that is authorized to accept service of process (lawsuits) on behalf of the business entity. This does not necessarily mean that the agent himself/herself is being sued, but that he/she has the authority and responsibility to accept service of process on behalf of the business.
<input type="checkbox"/> <b>Registered office</b>	The registered office is the address where the resident agent is located.
<input type="checkbox"/> <b>Mailing address</b>	The mailing address is where you would like to receive official mail from the Secretary of State's Office.
<input type="checkbox"/> <b>Signature</b>	The articles require the signature of any person authorized to form the limited liability company.





**KANSAS SECRETARY OF STATE  
Kansas Limited Liability Company  
Articles of Organization**

**Kansas Office of the Secretary of State:**

Memorial Hall, 1st Floor (785) 296-4564  
120 S.W. 10th Avenue kssos@sos.ks.gov  
Topeka, KS 66612-1594 www.sos.ks.gov

THIS SPACE FOR OFFICE USE ONLY.

**Instructions: All information must be completed or this document will not be accepted for filing.**

<p><b>1. Name of the limited liability company</b></p>				
<p><b>2. Name of resident agent and address of registered office in Kansas</b> Must be a Kansas street address. A P.O. Box is unacceptable.</p>	Name			
<p><b>3. Mailing address</b> Address will be used to send official mail from the Secretary of State's Office.</p>	Street Address			
<p><b>4. Tax closing month</b></p>	City	State <b>KS</b>	Zip	
<p><b>5. Effective date</b> Must be within 90 days of filing.</p>	Attention Name			
<p><b>6. I declare under penalty of perjury pursuant to the laws of the state of Kansas that the foregoing is true and correct, and I have remitted the required fee.</b></p>	Address			
<p>Signature of Organizer</p>	City	State	Zip	Country
<p><input type="checkbox"/> Upon filing</p>	<p><input type="checkbox"/> Future effective date:</p>			
		Month	Day	Year

Please review to ensure completion.