

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 SENATE BILL 1675

By: Coates

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5  
6 AS INTRODUCED

7 An Act relating to corporations; prohibiting  
8 recognition of certain professional entities;  
9 requiring submission of certain affidavit with  
10 specified filings; prohibiting Secretary of State  
11 from accepting filings without certain affidavit;  
12 prohibiting certain false statements; creating  
13 misdemeanor offense; establishing punishment; stating  
14 exceptions to applicability; providing for  
15 codification; and providing an effective date.

16 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

17 SECTION 1. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1006.1 of Title 18, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. No domestic or foreign corporation, limited liability  
21 company, or professional entity may be recognized if any individual  
22 or business entity owning five percent (5%) or more of the domestic  
23 or foreign corporation, limited liability company, or professional  
24 entity also owns or owned five percent (5%) or more of another  
business entity, whether active or inactive, which has final  
judgments for wages awarded pursuant to Section 165.1 et seq. of

1 Title 40 of the Oklahoma Statutes, or workers' compensation  
2 penalties awarded pursuant to Section 63.1 of Title 85 of the  
3 Oklahoma Statutes, which judgments are due and owing.

4 B. Upon the filing of a Certificate of Incorporation under  
5 Section 1006 of Title 18 of the Oklahoma Statutes, a Certificate of  
6 a Foreign Corporation under Section 1130 of Title 18 of the Oklahoma  
7 Statutes, Articles of Organization under Section 2005 of Title 18 of  
8 the Oklahoma Statutes, or Certificate of Incorporation under Section  
9 804 of Title 18 of the Oklahoma Statutes, the domestic or foreign  
10 corporation, limited liability company, or professional entity shall  
11 file an affidavit with the Secretary of State stating no individual  
12 or business entity owning five percent (5%) or more of the newly  
13 formed domestic or foreign corporation, limited liability company,  
14 or professional entity has any final judgments for wages awarded  
15 pursuant to Section 165.1 et seq. of Title 40 of the Oklahoma  
16 Statutes, or workers' compensation penalties awarded pursuant to  
17 Section 63.1 of Title 85 of the Oklahoma Statutes, which judgments  
18 are due and owing. The Secretary of State shall not accept the  
19 documents listed in this subsection for filing without the affidavit  
20 required by this section.

21 C. Any person who makes a false statement or representation in  
22 the affidavit required in subsection B, who knows or should have  
23 known it to be false, shall be guilty of a misdemeanor and shall be  
24 punished by a fine of not less than One Hundred Dollars (\$100.00)

1 nor more than Five Thousand Dollars (\$5,000.00), or by imprisonment  
2 for not longer than ninety (90) days, or by both such fine and  
3 imprisonment.

4 D. This section shall not apply to domestic or foreign  
5 corporations, limited liability companies, or professional entities  
6 which have filed for bankruptcy under federal bankruptcy laws.

7 SECTION 2. This act shall become effective November 1, 2010.

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