

May 8, 2001

The Honorable Thomas P. Gannon PA House of Representatives 49 East Wing Harrisburg, PA 17120

Dear Representative Gannon:

On behalf of the 14,000 members of the Philadelphia Bar Association, I am writing to you to express the Philadelphia Bar Association's support for Senate Bill 215, Printer's Number 656. The full Senate has overwhelmingly passed this legislation in prior legislative sessions, including the last three in 1995, 1997 and 1999.

Senate Bill 215, Printer's Number 656, would make important changes to Pennsylvania Corporate Law as found in Titles 15 and 54 of the Pennsylvania Consolidated Statutes. Some of these changes in Senate Bill 215 are as follows:

- Test for name availability and decennial filing requirement. The test for when a name may be used by a corporation or other association was changed during the 2000 session of the General Assembly from the prior test which required that a name not be "confusingly similar" to another name, to the new test which permits a name to be used so long as it is "distinguishable upon the records" of the Department of State from other names. The purpose of this change was to make more names available. S.B. 215 makes technical changes to correct certain errors in the prior legislation (such as the omission to apply the new test to names of nonprofit corporations). The prior legislation also delayed for one year when a decennial filing to protect a corporate name must be made. S.B. 215 makes technical changes to correct certain errors in the decennial filing provisions of Title 54.
- Use of electronic procedures. A variety of amendments are made to the Business
 Corporation Law to permit corporations to distribute meeting notices electronically,
 validate electronic proxies and permit electronic voting procedures generally. For
 example, a shareholder meeting will no longer need to be held at a geographic
 location if it is held using the Internet.

The Corporate Code changes found in Senate Bill 215 will continue to permit Pennsylvania to be a leader in the nation in Corporate Law. I strongly encourage you to support final passage of this most important legislation.

Very Truly Yours,

Carl Primavera, Esq.

Chancellor of the Philadelphia Bar

Association



COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE HARRISBURG, PENNSYLVANIA 1712O

SECRETARY OF THE COMMONWEALTH

May 8, 2001

Honorable Thomas P. Gannon Chairman Judiciary Committee House Box 202020 Harrisburg, PA 17120-2020

Dear Representative Gannon:

I am writing to you in <u>support</u> of Senate Bill 215. This legislation amends Titles 15 (Corporations and Unincorporated Associations) and 54 (Names) of the Pennsylvania Consolidated Statutes, relating to associations; making revisions, corrections and additions; and making repeals.

This support is based on our careful analysis and review of the Senate Bill 215. Legal counsel for the Corporation Bureau within our Department has worked closely with the Pennsylvania Bar Association's Title 15 Task Force for several years on this important legislation. It is our understanding that the Department of Revenue has also been working with the Task Force on additional technical amendments to the bill that we also support.

We believe Senate Bill 215 makes technical corrections that allow the Corporation Bureau to more easily fulfill its administrative duties under the Associations Code. In addition, the substantive provisions in the proposed legislation make necessary changes in Title 15, which will help our Commonwealth, remain competitive in today's business climate.

Thank you for your consideration.

Sincerely,

Kim Pizzingrilli

Secretary of the Commonwealth

CC: Members of the Judiciary Committee