



California Corporate & Securities Law

Secretary Of State's E-Mail Notification Bill To Be Amended

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The [Secretary of State](#) is sponsoring AB 657 to allow both foreign and domestic corporations to indicate that they would like to receive notification from the Secretary of State's office by email.

As discussed in this [post](#), I submitted a comment letter asking that the bill be amended to make it clear that a corporation will only be required to furnish an email address if it wishes to receive notification by email. The Secretary of State's office promptly notified me that it will be asking [Assembly Member Gordon](#) to amend the bill to address this concern, noting "This is how we had intended the bill to read initially and the amendment will correct this drafting error."

I remain concerned about one unintended consequence of the bill. Currently, Corporations Code § 1502(h) requires the Secretary of State to make the information included in annual reports accessible by means of an online database (a similar requirement is found in § 2117(c) with respect to annual statements of foreign corporations). I do not object to these addresses being publicly available, but I do have concerns if they are made available in a way that will enable spammers to easily collect them for spamming purposes.

AB 657 has been assigned to the [Assembly Banking and Finance Committee](#). Under Article IV, Section 8 of the California Constitution, no bill, other than the budget bill, may be heard or acted upon by a committee until the 31st day after the bill's introduction (unless this requirement is waived by a 3/4 vote). See also Joint Rule No. 55. In the case of AB 657, the 31st day is March 19, 2011.

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