

TITLE 30
CORPORATIONS

CHAPTER 5
CORPORATIONS

30-501. CORPORATIONS -- CONSTITUTION OF THE STATE OF IDAHO. (1) Every corporation organized for any lawful purpose or purposes, whether a general business corporation or a designated class of corporation, shall, by the act of filing incorporation documents with the state of Idaho, acknowledge and accept the provisions of the constitution of the state of Idaho and the provisions of this chapter as binding upon that corporation.

(2) Except as expressly authorized by the legislature through the enactment of general laws or pursuant to subsection (4) of this section, the state shall not file or cause to be filed on its behalf articles of incorporation for any corporation that is provided for in subsection (1) of this section. If any articles of incorporation are filed by the state or on its behalf without the authorization of the legislature as required pursuant to this subsection, the secretary of state shall not accept such articles of incorporation. In no instance shall the state constitute the voting majority of the board of directors or members of a corporation or its subsidiary. For purposes of this section, "state" means the state of Idaho, a state officer acting in an official capacity, a state employee acting within the scope of employment, or a state agency, department, division, bureau, board, commission, or institution.

(3) The state shall not file or cause to be filed on its behalf articles of incorporation for a corporation to carry out a purpose or function in lieu of the state or to receive or expend appropriated funds in furtherance of such purpose or function.

(4) It is not a violation of the provisions of this section for the state to:

(a) Create or to authorize the creation of an independent public body politic and corporate; or

(b) Associate with a corporation to provide a benefit to the state, provided that the state is not an owner, stockholder, or controlling member of such corporation.

(5) For the purposes of this section, "independent public body politic and corporate" means an entity that is:

(a) Created in statute to carry out a public purpose;

(b) Devoid of any private party with the right to control the entity or manage it; and

(c) Lacking any potential for private parties to change the fundamental structure or public purpose of the entity as provided for in the statute that created it.

[30-501, added 1996, ch. 354, sec. 1, p. 1182; am. 2024, ch. 287, sec. 1, p. 980.]

30-502. IMPROPER STATE CORPORATIONS -- REPORTING -- OPPORTUNITY TO REFORM. (1) The provisions of this section shall apply to a corporation that:

(a) Was incorporated prior to the effective date of this section;

(b) Has assets or liabilities as of the effective date of this section or has valid contractual obligations that could be enforced against it;

(c) Was created by the state, incorporated by the state, or authorized to be created by the state through some vote or action other than a general law enacted by the legislature. For purposes of this section, "state" shall have the same meaning as provided in section [30-501](#), Idaho Code; and

(d) Was not dissolved or disassociated from the state prior to the effective date of this act.

(2) By January 1, 2025, a corporation shall submit a report to the office of the secretary of state that includes:

- (a) The name and mailing address of the corporation;
- (b) The names of the directors and officers of the corporation;
- (c) Whether any of the directors are officials, employees, or agents of the state of Idaho or represent the interests of the state of Idaho on the board of directors and, if so, whether the identified directors hold a voting or non-voting position;
- (d) The date that the corporation was established;
- (e) Whether the corporation is in good standing with the Idaho secretary of state;
- (f) A description of the corporation's purpose;
- (g) Whether the corporation continues to fulfill the purpose for which it was created and is necessary;
- (h) Whether the corporation was established pursuant to approval by the legislature and, if so, evidence of such approval;
- (i) Specific federal income tax type and specific classification;
- (j) Internet links to the organization's website, if any, and, if applicable, to information about the nonprofit corporation on the Idaho secretary of state's website;
- (k) A copy of the corporation's current bylaws; and
- (l) Identification of all contracts or written agreements between the corporation and the state, if any, and for any such contracts, the identification of any language addressing state obligations or liabilities or language that prevents the loaning or donation of public credit.

(3) (a) A corporation that self-reports pursuant to this section shall:

- (i) By statute, be reformed by the legislature as an independent public body politic and corporate;
- (ii) Dissolve or otherwise disassociate from the state by July 1, 2025; or
- (iii) Reform as authorized by the legislature pursuant to paragraph (b) of this subsection.

(b) A corporation may reform in a manner such that it is not an improper state corporation by:

- (i) Complying with the requirements of subsection (2) of this section; and
- (ii) Providing a financial report to the office of the state treasurer that shows the assets and liabilities of the corporation for the most recent fiscal year.

(4) By July 1, 2025, the office of the secretary of state shall deliver a report summarizing and containing the materials it has received pursuant to subsection (2) of this section to the governor, the president pro tempore of the senate, and the speaker of the house of representatives. The report shall contain a list of corporations that have self-reported. The report may also indicate whether corporations that have self-reported intend to be reformed pursuant to subsection (3) (a) (i) of this section by the legislature

as independent public bodies politic and corporate. The report may also include a list of nonprofit corporations that have voluntarily disassociated from the state of Idaho pursuant to the provisions of this section.

(5) By July 1, 2025, the office of the state treasurer shall deliver a report summarizing and containing the materials it has received pursuant to subsection (3) (b) of this section to the governor, the president pro tempore of the senate, and the speaker of the house of representatives.

(6) A corporation that does not self-report pursuant to the provisions of subsection (2) of this section or that frustrates the reform or disassociation procedures provided for in this section shall be considered to be in violation of the provisions of section [30-501](#), Idaho Code, and shall not be recognized as a corporation under Idaho law.

[30-502, added 2024, ch. 287, sec. 2, p. 981.]

CHAPTER 6

IDAHO UNIFORM LIMITED LIABILITY COMPANY ACT -- [REPEALED]