

SPEAKER WITHEM: One minute.

SENATOR MATZKE: ... (interrupted) corporation has to file. There if you fail... and I heard you raised a question, it's a good question. There, if you fail to file that form, the Secretary of State merely cancels your corporation status, revokes your filing as a corporation, and you have to go through a certain procedure and pay a certain filing fee to get reinstated as a corporation.

SENATOR CHAMBERS: Now, because my time is short, can you see anything so different between this situation and any other requiring filings where in this one there should be the possibility of having to pay a \$5,000 civil penalty simply for failing to file a report within 30 days?

SENATOR MATZKE: No. I think the civil penalty would not be justified in this case. They ought to use the same procedures they do with the occupational tax. You'd merely have your corporation dissolved actually is the technical term. It would be dissolved, and you have to go through the procedure of having it reinstated, and that's enough of a penalty itself...

SPEAKER WITHEM: Time.

SENATOR MATZKE: ...to provide enforcement.

SPEAKER WITHEM: Senator Dierks.

SENATOR DIERKS: Thank you, Mr. Speaker, and members of the body, we don't maintain, Senator Chambers, that we have the most perfect system or, Senator Beutler. But these are two entities that are in control, the Secretary of State, and for enforcement, the Attorney General's Office. That's why they're included in the piece of legislation. I'm not sure that \$5,000 is a very stiff penalty as regard... if you're looking at that instead of dissolution of the corporation, you know. It appears to me that we haven't been onerous with the penalty. So I think that the legislation was meant to protect the corporate farming legislation, corporate farming as set out in our constitution and that's the reason for it. I'm sure there are difficulties with... I could tell you have difficulty with the Attorney General's involvement and with the Secretary of State's involvement. We think that this is where the involvement