

SENATOR BEUTLER: Is grandfathered in?

SENATOR KRISTENSEN: Well, their existence is. In other words, we are not, from this day forward saying that you are not a nonprofit corporation unless you exist or start up under these provisions. So if you are in existence today, you are going to be in existence the day after this becomes law. What you are going to wind up complying with, the procedural things, if you are going to liquidate, merge, if you are going to...the standard of care from the day the bill comes into effect is going to be there as well. So that will change, but not their existence.

SENATOR BEUTLER: Okay, so at some point in time, they'll have to come into compliance, though, with all of the provisions of this. Is that right?

SENATOR KRISTENSEN: That's true, except most of the provisions are already...compliance provisions are already existing law. That's the reason we kind of wanted to stick as close as we could to what were existing doing, for example, like the conference calling is one that's just kind of become routine for people. We are really not going to upset that appletart. Most people that have looked at it said that this is not going to be a substantial change in method of operation, but gives them some more clarity, helps them answer some of those gray areas because they are going to look at comments and court cases.

SENATOR BEUTLER: Can you orient me to the provision that indicates, it was spoken of earlier, that indicates when you transfer or when you dissolve you have to transfer assets to a substantially similar organization. And, I guess, along with that, the question I am getting to is, what happens if you don't? Is the transfer invalid? Or is there some other penalty? I am looking at this from a title point of view here.

SENATOR KRISTENSEN: And I am going to...I am going to have to look real quick for the section numbers, but I...I think Senator Matzke had those. They were Section 119, Section 126, and I am looking for the distribution ones. Can I...after we get done visiting, can I just take a minute to look up that specific section, and I will punch my light back on to do that.

SENATOR BEUTLER: Sure. I hope the bill is not on Final Reading