

Minutes

INDIANA BUSINESS LAW SURVEY COMMISSION

July 15th, 2025

1:30-3:00 p.m.

Location: Government Center South Conference Room D

Remote Attendance: See Teams meeting invite

- I. Call to Order and Roll Call
 - a. Attendees: Alan Becker, Janet Monroe, Keaton Miller, Joe Montel, & Josh Hollinsworth in person and virtual were Matt Will, Stuart Gutwein and Frank Sullivan
 - b. Other attendees Secretary Morales, Jerry Bonnet, Scott Willis & Zach Grosser
- II. Approval of Meeting Minutes of April 24th, 2025.
 - a. No amendments or corrections
 - b. Motion to approve (Mr. Miller), seconded (Mr. Hollingsworth), motion carries
- III. Update from the Secretary's Office
 - a. Updates from Secretary Morales
 - i. Secretary Morales thanks the BLSC for keeping Indiana a competitive business economy.
 - ii. HB 1593 is part of the office's drive to innovate, grow connectivity to GP's and protect Hoosiers from bad actors.
 - iii. We're also moving forward with our 5 new potential commission candidates, working with the governor's office.
 - iv. Secretary Morales voiced support for HB 1019 which was brought to the office by county recorders as an initiative to fight fraud.
 - v. The " IN My Community" initiative has been successful at driving connectivity between local businesses and state government. Indiana is a leader when it comes to businesses. The Secretary has been meeting with leaders in government and business all around the state. The Secretary extends an invitation to the BLSC to attend the \$2.00 Tuesdays at the Indiana State Fair which is sponsored by the office.
 - vi. The Secretary again thanks the BLSC for their attendance and expertise.
 - b. Safe Harbor HEA-1623 Signed into law effective 7-1-25 (Mr. Willis)
 - i. The business services division has completed the promulgation of new admin rules effective 07/01/2025.
 - c. Legislative Ideas 2026 (Mr. Willis)
 - i. Mr. Willis presented legislative items being considered related to fraudulent filings, resurrection of zombie businesses, and deceptive solicitation practices which impact the health of the Indiana business registry.
 - ii. HB 1593 has provisions to increase requirements for third party filings so those entities which submit business filing know their customers' identity to improve the accuracy and reliability of information submitted to the public record.
 - iii. HB 1593 also provides a solution for virtual operation only businesses which did not have any principal office address other than a residential address. This was previously a barrier to business formation, but HB 1593 enables the use of a 'contact address'.
 - iv. HB 1593 also provides an avenue for reinstatement of entities which have been dissolved for longer than 5 years.

- v. The division is moving forward by working with the major commercial filers on implementing the identity verification requirements of HB 1593.
- vi. The division will continue to improve connectivity by conducting outreach to businesses to obtain their governing person information and implementing additional identity proofing for website users.
- vii. Additionally, the division will be looking to move all UCC secure transaction filings online, this would improve the efficiency of the division as paper filings are significantly harder to process.
- viii. The division is also tracking issues related to deceptive solicitations to new and existing businesses, notices which mislead Hoosier businesses into thinking they are transacting with the Business Services Division.
- ix. Chairman Becker asked about the timeline of implementing HB 1593 related changes which take effect 01/01/2026.
 - 1. Director Willis plans to have administrative updates for forms and similar items completed roughly in September, INBiz website updates completed by the end of November.
- x. Joe Montel asked if bad actors are using US-based IP addresses to make fraudulent filings
 - 1. Director Willis answered that in some cases they are, but there are also obfuscation tactics being used to hide this type of information. Further conversations may need to be had with the Indiana Office of Technology and Governor's office about additional technology solutions.
 - 2. INBiz does employ geofencing to restrict access from non-US based IP addresses.

IV. Old Business/Current Projects

- a. New Commission candidates update (Chairman Becker)
 - i. 5 new candidates, four of whom are in attendance.
- b. Update on Comments to LLC Act (Mr. Sullivan)
 - i. Frank Sullivan is working on documenting the legislative history of the amendments made in 1999 and is seeking to consult with anyone who may have been involved in those 1999 amendments such as Chairman Becker.
- c. Indiana Code 6-8.1-10-9.5 Sales tax clearance process for M & A transactions (Mr. Hollingsworth)
 - i. Josh Hollingsworth has met with the Department of Revenue several times. Progress is being made to revisions to the tax clearance process.
 - ii. They are trying to make the process only applicable to asset transactions and not stock transactions. They have also shortened the timeframe for turnaround time, 14 days by statute but 1-2 business days in practice. Another provision added was to provide for a late filing process, to go after the fact and obtain the required clearance, which can be useful when a transaction has already closed or is closing imminently.
 - iii. Mr. Hollingsworth thinks the changes are ready for approval by BLSC
 - iv. Motion to approve the proposed changes (Mr. Montel, motion seconded (Mr. Miller), motion carries.

V. New Business / Future Projects

- a. Model Business Corporation Act task force update (Mr. Hollingsworth)
 - i. Mr. Montel, Mr. Gutwein and Mr. Hollingsworth and their associates are hard at work on this project. They are looking at two potential sources for this update, the model business act, and the Delaware general corporation law. The group has identified 40 areas of change, only 5 or 6 of which will be considered, such as:
 - 1. Ratification of defective actions

2. Disinterest directors
3. Unlawful Distributions and statute of limitations
4. Books and records requests
- ii. BLSC will consider taking up another meeting before the September annual meeting to review the comments and changes informally.
- b. Hub Meta changes task force update. (Mr. Sullivan)
 - i. Frank Sullivan reports that at the annual meeting of the Uniform Law Commission, some changes were approved to Hub and Meta (IC 23-0.5 and IC 23-0.6). The approval is subject to some changes by the cleanup committee, and that committee has not completed their cleanup yet. As soon as that process is completed BLSC will have an update. The next annual meeting of the Uniform Law Commission is next week, so some updates may be available by September.
 1. Chairman Becker expressed that it may be prudent to consider what changes will be in time for the 2026 legislative session.
- c. Other projects 2025 (Chairman Becker)
 - i. Comment was made that with the proposals already mentioned that anything beyond that would be FY 27.

VI. Public Comments

- a. No public comments

VII. Adjournment

- a. Tentatively planning the September meeting for the 16th at 1:30pm
- b. Motion for adjournment, seconded, carries.

Next Meeting: Review proposed legislative endorsements.

Topics to Watch (This section will include topics that the Commission may not wish to discuss at the meeting but wants to keep in mind. Future topics will be informed by the results of the above discussion.)

- a. Cleaning up PC statute – add it to Hub?
- b. Reviewing the Model Act to update the Business Trust Statute adding fees.
- c. Update to Nonprofit Corporation statute
- d. Updates to partnership statutes