

CHAPTER 206

UNINCORPORATED NONPROFIT ASSOCIATION ACT

Original Senate File No. 66

NOTE: W.S. 17-21-101 through 17-21-115 renumbered in Statutes as W.S. 17-22-101 through 17-22-115 due to numbering conflict with Chapter 194.

AN ACT to create W.S. 17-21-101 through 17-21-115; and to repeal W.S. 17-9-107 and 17-9-108 relating to the Uniform Unincorporated Nonprofit Association Act; creating the act; providing definitions; specifying applicability; authorizing unincorporated nonprofit associations to acquire, hold, encumber or transfer property as specified; providing for liability in tort and contract and the ability to defend lawsuits; providing for disposition of property of an inactive nonprofit association; providing for an agent for service of process; specifying transition of property and lawsuits on the effective date of the act; providing for uniformity of application; repealing conflicting statutes; and providing for an effective date.

*Be It Enacted by the Legislature of the State of Wyoming:*

**Section 1.** W.S. 17-21-101 through 17-21-115 are created to read:

CHAPTER 21

UNIFORM UNINCORPORATED NONPROFIT ASSOCIATION ACT

**17-21-101. Short title.** This act shall be known and may be cited as the "Wyoming Unincorporated Nonprofit Association Act."

**17-21-102. Definitions.**

(a) As used in this act:

(i) "Member" means a person who, under the rules or practices of a nonprofit association, may participate in the selection of persons authorized to manage the affairs of the nonprofit association or in the development of policy of the nonprofit association;

(ii) "Nonprofit association" means an unincorporated organization consisting of two (2) or more members joined by mutual consent for a common, nonprofit purpose. However, a joint tenancy, tenancy in common, or tenancy by the entireties does not by itself establish a nonprofit association, even if the co-owners share the use of the property for a nonprofit purpose;

(iii) "Person" means an individual, corporation, business trust, estate, trust, partnership, association, agency, joint venture, government, governmental subdivision or instrumentality, or any other legal or commercial entity;

(iv) "State" means a state of the United States, the District of Columbia, the commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States;

(v) "This act" means W.S. 17-21-101 through 17-21-115.

**17-21-103. Territorial application.** Real and personal property in Wyoming may be acquired, held, encumbered and transferred by a nonprofit

association, whether or not the nonprofit association or a member has any other relationship to the state.

**17-21-104. Real and personal property; nonprofit association as legatee, devisee or beneficiary.**

(a) A nonprofit association in its name may acquire, hold, encumber or transfer an estate or interest in real and personal property.

(b) A nonprofit association may be a legatee, devisee or beneficiary of a trust or contract.

**17-21-105. Statement of authority as to real property.**

(a) A nonprofit association shall execute and record a statement of authority to transfer an estate or interest in real property in the name of the nonprofit association.

(b) An estate or interest in real property in the name of a nonprofit association may be transferred by a person so authorized in a statement of authority recorded in the office of the county clerk in which a transfer of the property would be recorded.

(c) A statement of authority shall set forth:

(i) The name of the nonprofit association;

(ii) The address in this state, including the street address, if any, of the nonprofit association. If the nonprofit association does not have an address in this state, its address out of state;

(iii) The name or title of the person authorized to transfer an estate or interest in real property held in the name of the nonprofit association; and

(iv) The action, procedure or vote of the nonprofit association which authorizes the person to transfer the real property of the nonprofit association and which authorizes the person to execute the statement of authority.

(d) A statement of authority shall be executed in the same manner as a deed. The person who executes the statement of authority shall not be the named person in the statement of authority authorized to transfer the estate or interest.

(e) The filing officer may collect a fee for recording the statement of authority in the amount authorized for recording a transfer of real property.

(f) An amendment, including a cancellation, of a statement of authority shall meet the requirements for execution and recording of an original statement. Unless canceled earlier, a recorded statement of authority or its most recent amendment is canceled by operation of law five (5) years after the date of the most recent recording.

(g) If the record title to the real property is in the name of a nonprofit association and the statement of authority is recorded in the office of the county clerk in which a transfer of real property would be recorded, the

authority of the person named in a statement of authority is conclusive in favor of a transferee who gives value without notice that the person named in the statement of authority lacks authority.

**17-21-106. Liability in tort and contract.**

(a) A nonprofit association is a legal entity separate from its members for the purposes of determining and enforcing rights, duties and liabilities in contract and tort.

(b) A person is not liable for a breach of a nonprofit association's contract merely because the person is a member, is authorized to participate in the management of the affairs of the nonprofit association or is a person considered as a member by the nonprofit association.

(c) A person is not liable for a tortious act or omission for which a nonprofit association is liable merely because the person is a member, is authorized to participate in the management of the affairs of the nonprofit association or is a person considered as a member by the nonprofit association.

(d) A tortious act or omission of a member or other person for which a nonprofit association is liable is not imputed to a person merely because the person is a member of the nonprofit association, is authorized to participate in the management of the affairs of the nonprofit association or is a person considered as a member by the nonprofit association.

(e) A member of, or a person considered as a member by, a nonprofit association may assert a claim against the nonprofit association. A nonprofit association may assert a claim against a member or a person considered as a member by the nonprofit association.

**17-21-107. Capacity to assert and defend; standing.**

(a) A nonprofit association, in its name, may institute, defend, intervene or participate in a judicial, administrative or other governmental proceeding or in an arbitration, mediation or any other form of alternative dispute resolution.

(b) A nonprofit association may assert a claim in its name on behalf of its members if one (1) or more members of the nonprofit association have standing to assert a claim in their own right, the interests the nonprofit association seeks to protect are germane to its purposes, and neither the claim asserted nor the relief requested requires the participation of a member.

**17-21-108. Effect of judgment or order.** A judgment or order against a nonprofit association is not by itself a judgment or order against a member.

**17-21-109. Disposition of personal property of inactive nonprofit association.**

(a) If a nonprofit association has been inactive for three (3) years or longer, a person in possession or control of personal property of the nonprofit association may transfer the property:

(i) If a nonprofit association document specifies a person to whom transfer is to be made under these circumstances, to that person; or

(ii) If no person is so specified, to a nonprofit association or nonprofit corporation pursuing broadly similar purposes, or governmental agency.

**17-21-110. Appointment of agent to receive service of process.**

(a) A nonprofit association may file in the office of the secretary of state a statement appointing an agent authorized to receive service of process.

(b) A statement appointing an agent shall set forth:

(i) The name of the nonprofit association;

(ii) The address in this state, including the street address, if any, of the nonprofit association. If the nonprofit association does not have an address in this state, its address out of state; and

(iii) The name of the person in this state authorized to receive service of process and the person's address, including the state address, in this state.

(c) A statement appointing an agent shall be signed and acknowledged by a person authorized to manage the affairs of the nonprofit association. The statement shall also be signed and acknowledged by the person appointed agent, who thereby accepts the appointment. An appointed agent may resign by filing a resignation in the office of the secretary of state and giving notice to the nonprofit association.

(d) A filing officer may collect a fee of five dollars (\$5.00) for filing a statement appointing an agent to receive service of process, an amendment, or a resignation.

(e) An amendment to a statement appointing an agent to receive service of process shall meet the requirements for execution of an original statement.

**17-21-111. Claim not abated by change of members of officers.** A claim for relief against a nonprofit association does not abate solely by reason of a change in its members or persons authorized to manage the affairs of the nonprofit association.

**17-21-112. Venue.** For purposes of venue, a nonprofit association is a resident of a county in which it has an office.

**17-21-113. Summons and complaint; service on whom.** In an action or proceeding against a nonprofit association a summons and complaint shall be served on an agent authorized by appointment to receive service of process, an officer, managing or general agent, or a person authorized to participate in the management of its affairs. If none of them can be served, service may be made on a member.

**17-21-114. Transition concerning real and personal property.**

(a) If, before July 1, 1993, an estate or interest in real or personal property was purportedly transferred to a nonprofit association, on July 1, 1993

the estate or interest vests in the nonprofit association unless the parties have treated the transfer as ineffective.

(b) If, before July 1, 1993, the transfer vested the estate or interest in another person to hold the estate or interest as a fiduciary for the benefit of the nonprofit association, its members, or both, on or after July 1, 1993 the fiduciary may transfer the estate or interest to the nonprofit association in its name or the nonprofit association, by appropriate proceedings, may require that the estate or interest be transferred to it in its name.

**17-21-115. Savings clause.** This act does not affect an action or proceeding begun or right accrued before July 1, 1993.

**Section 2.** Principles of law and equity supplement this act unless displaced by a specific provision of this act.

**Section 3.** W.S. 17-9-107 and 17-9-108 are repealed.

**Section 4.** This act is effective July 1, 1993.

Approved March 10, 1993.