

Monday, March 23rd, 2026

The Honorable Robert Britto
Chair, Commerce Committee
Rhode Island Senate
State House
Providence, Rhode Island 02903

Re: Letter in Opposition to Sections 2 and 4 of RI Senate Bill 2761

Dear Senator Britto,

On behalf of CT Corporation System (CT), the nation's leading provider of corporate compliance and registered agent services for well over a century, I write regarding Senate Bill 2761, specifically Section 2, which proposes to amend Sec. 7-1.2-1408 of the Rhode Island Business Corporation Act to authorize the Secretary of State to serve as a registered agent for foreign corporations and foreign limited liability companies (LLCs) in Rhode Island and Section 4 of Senate Bill 2761, which would amend Sec. 7-16-11 of the Rhode Island Limited Liability Company Act to authorize the Secretary of State to serve as resident agent for foreign LLCs. (Although the Rhode Island entity laws use the term "registered agent" for corporations and "resident agent" for LLCs they have the same meaning and we will use the term registered agent throughout for simplicity purposes). CT has set the standard for excellence, innovation, and reliability in serving the business entity community, and we are committed to supporting strong, effective regulatory frameworks that facilitate the smooth operation of commerce in Rhode Island and across the United States.

Summary of Senate Bill 2761 and Proposed Amendments

While we recognize that Senate Bill 2761 aims to modernize Rhode Island's corporate statutory framework, we respectfully oppose the amendments in Section 2 and Section 4 that would allow the Secretary of State to act as a registered agent for foreign entities. Our concerns center not on competition, but on practical and operational implications for both the State and its business community.

Key Reasons for Opposition

- The bill would increase the number of foreign corporations and LLCs permitted to appoint the Secretary of State as their registered agent; however, it does not require all such entities to do so. This could result in inconsistent administration and increased complexity for both the State and business entities navigating compliance requirements.
- By overburdening the Secretary of State's office with additional responsibilities, there is a significant risk that the flow of service of process will be slowed, thereby impeding the proper administration of justice. Delays in the delivery of process to defendant entities could prevent those entities from responding in a timely manner to legal actions directed against them, undermining fairness in judicial proceedings.
- Professional registered agent companies like CT provide unique expertise, robust infrastructure, and dedicated personnel for handling process efficiently and reliably. The main role of the registered agent, which is the receiving and forwarding of process and other time sensitive and critical documents, may seem simple but it is not. Serving parties can make errors in both drafting their documents and attempting to serve them. For example, they use incorrect entity names on the documents, or fail to name the party they are attempting to serve at all, or will attempt to serve entities that are not actually authorized to do business in your state. CT has well trained personnel and procedures in place to handle these situations.
- Using a professional registered agent ensures compliance with complex, multi-jurisdictional requirements and provides businesses with peace of mind. Many corporate service providers like CT offer valuable compliance services beyond providing the registered agent, such as assistance in filing forms, ordering documents, filing annual reports, obtaining business licenses and more. Although these services can be provided without appointing the corporate service provider as registered agent, that may increase the costs of those transactional services, and in many cases the business owner will only find out about these services when investigating who to appoint as registered agent.

- Service on the Secretary of State does not provide actual notice to the foreign corporation or foreign LLC being served. The Secretary of State will still have to forward the documents to the entity. The amendments do not specify how that will be done. Regardless, it will be incumbent on the foreign corporation or foreign LLC to make sure the forwarding address is always up to date or they risk default judgments or other unpleasant consequences of a failure to respond in a timely manner. However, when a professional registered agent such as CT changes its address, we will update our address with the state. Our customers do not have to.
- Additional Advantages of Retaining Private Registered Agents:
 - Personalized customer service and guidance for businesses of all sizes
 - Advanced technology platforms for tracking and managing service of process
 - Nationwide coverage and continuity for businesses operating in multiple states
 - Enhanced privacy and security for sensitive legal documents
- Although the amendments would still allow a foreign corporation or foreign LLC to appoint a professional registered agent, many small business owners are unaware of the crucial role the registered agent plays, and the benefits that appointing a professional registered agent brings. Every corporation or LLC at the formation stage, and at the foreign registration stage needs to put care and consideration in choosing their registered agent. If these amendments are enacted, many small business owners may only see cost saving and will take the Secretary of State option, ultimately depriving them of the benefits of a professional registered agent.

Conclusion and Request

For the reasons stated above, we respectfully urge the Committee to vote against passage of the proposed amendments to Sections 7-1.2-1408 and 7-16-11 in Senate Bill 2761. C T Corporation System is ready to discuss these concerns in greater detail and to serve as a resource to support Rhode Island's continued success as a business-friendly state.

Thank you for your consideration. If you have questions, or need more insight, please contact me at 267.377.5222 or via email at alan.stachura@wolterskluwer.com.

Best Regards,



Alan Stachura
Senior Manager
Government Relations