AN	ACT

Codification
District of
Columbia
Code
2001 Supp.

### IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To adopt the Uniform Unincorporated Nonprofit Association Act in the District of Columbia.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Uniform Unincorporated Nonprofit Association Act of 2000".

Sec. 2. Definitions.

For the purposes of this act, the term:

- (1) "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.
- (2) "Nonprofit association" means an unincorporated organization, other than one created by a trust, consisting of 2 or more members joined by mutual consent for a common, nonprofit purpose. However, joint tenancy, tenancy in common, or tenancy by the entireties shall not by itself establish a nonprofit association, even if the co-owners share use of the property for a nonprofit purpose.
- (4) "Person" means an individual, corporation, business trust, estate, trust, partnership, association, limited liability company, joint venture, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.
- (5) "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.
  - Sec. 3. Supplementary general principles of law and equity.

Principles of law and equity supplements this act unless displaced by a particular provision of it.

### Sec. 4. Territorial application.

Real and personal property in the District of Columbia 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 District of Columbia.

- Sec. 5. Real and personal property; nonprofit association as legatee, devisee, or beneficiary.
- (a) A nonprofit association is a legal entity separate from its members for the purposes of acquiring, holding, encumbering, and transferring real and personal property.
- (b) A nonprofit association in its name may acquire, hold, encumber, or transfer an estate or interest in real or personal property.
- (c) A nonprofit association may be a beneficiary of a trust or contract (including a contract for insurance), a legatee, or a devisee.
- (d) If a nonprofit association holds real property, it shall file with the Mayor, on an annual basis, a list of its officers, providing their full names, addresses, and telephone numbers. This information shall be made available to the public.

# Sec. 6. Statement of authority as to real property.

- (a) A nonprofit association may execute and file 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 filed with the Mayor.
  - (c) A statement of authority shall set forth:
    - (1) The name of the nonprofit association;
- (2) The federal tax identification number, if any, and the District of Columbia business tax identification number of the nonprofit association;
- (3) The address in the District of Columbia, including the street address, if any, of the nonprofit association, or, if the nonprofit association does not have an address in the District of Columbia, its address out of state;
  - (4) That it is an unincorporated nonprofit association; and
- (5) The name or title of a person authorized to transfer an estate or interest in real property held in the name of the nonprofit association.
- (d) A statement of authority shall be executed in the same manner as a deed by a person who is not the person authorized to transfer the estate or interest.
- (e) The Mayor may collect a fee for filing a statement of authority in the amount authorized for filing a transfer of real property.
- (f) An amendment, including a cancellation, of a statement of authority shall meet the requirements for execution and filing of an original statement. Unless canceled earlier, a filed statement of authority or its most recent amendment is canceled by operation of law 5 years after

the date of the most recent filing.

(g) If the record title to real property is in the name of a nonprofit association and the statement of authority is filed with the Mayor, the authority of the person named in a statement of authority to transfer is conclusive in favor of a person who gives value without notice that the person lacks authority.

### Sec. 7. 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 of the nonprofit association, is authorized to participate in the management of the affairs of the nonprofit association, or is a person considered to be 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 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.
- (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 to be 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 to be a member by the nonprofit association.

### Sec. 8. 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 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.

### Sec. 9. Effect of judgment or order.

A judgment or order against a nonprofit association is not by itself a judgment or order against a member or a person authorized to participate in the management of the affairs of the nonprofit association.

Sec. 10. Disposition of personal property of inactive nonprofit association.

If a nonprofit association has been inactive for 3 years, or for a longer or shorter period specified in a document of the association, a person in possession or control of personal property of the association may transfer custody of the property:

- (1) If a document of a nonprofit association specifies a person to whom transfer is to be made under these circumstances, to that person; or
- (2) If no person is so specified, to a nonprofit association or nonprofit corporation pursuing broadly similar purposes, or to a government or governmental subdivision, agency, or instrumentality.
  - Sec. 11. Appointment of agent to receive service of process.
- (a) A nonprofit association may file with the Mayor a statement appointing an agent authorized to receive service of process.
  - (b) A statement appointing an agent shall set forth:
    - (1) The name of the nonprofit association;
- (2) The federal tax identification number, if any, and the District of Columbia business tax identification number of the nonprofit association;
- (3) The address in the District of Columbia, including the street address, if any, of the nonprofit association, or, if the nonprofit association does not have an address in the District of Columbia, its address out of state; and
- (4) The name of the person in the District of Columbia authorized to receive service of process and the person's address, including the street address, in the District of Columbia.
- (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. The appointed agent may resign by filing a resignation with the Mayor and giving notice to the nonprofit association.
- (d) The Mayor may collect a fee for filing a statement appointing an agent to receive service of process, an amendment, a cancellation, or a resignation in the amount charged for filing similar documents.
- (e) An amendment to or cancellation of a statement appointing an agent to receive service of process shall meet the requirements for execution of an original statement.
  - Sec. 12. Claim not abated by change of members or officers.

A cause of action against a nonprofit association does not abate merely because of a change in its members or persons authorized to manage the affairs of the nonprofit association.

# Sec. 13. 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.

# Sec. 14. Uniformity of application and construction.

This act shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this act among states enacting it.

### Sec. 15. Transition concerning real and personal property.

If, before the effective date of this act, an estate or interest in real or personal property was, by the terms of the transfer, purportedly transferred to a nonprofit association, but, under the law, the estate or interest did not vest in the nonprofit association, on the effective date of this act, the estate or interest shall vest in the nonprofit association unless the parties have treated the transfer as ineffective.

### Sec. 16. Savings clause.

This act does not affect an action or proceeding commenced, or right accrued, before this act takes effect.

### Sec. 17. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(3)).

### Sec. 18. Effective date.

This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of a veto by the Mayor, action by the Council to override the veto), approval by the Financial Responsibility and Management Assistance Authority as provided in section 203(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Code § 47-392.3(a)), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of

	ome Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-nd publication in the District of Columbia Register.
	Chairman Council of the District of Columbia
Mayor District of Co	olumbia