

Sixty-third  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2152**

Introduced by

Senators Sitte, Campbell, Laffen

Representatives Karls, K. Koppelman, Mooney

A BILL for an Act to create and enact a new subsection to section 10-31-13 of the North Dakota Century Code, relating to regulation of professional organizations; to amend and reenact section 10-31-06 of the North Dakota Century Code, relating to ownership of professional organizations; and to provide legislative intent.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Section 10-31-06 of the North Dakota Century Code is amended and reenacted as follows:

**10-31-06. Executives and owners.**

1. ~~No~~An individual may ~~be~~not simultaneously be an executive or owner of more than one professional organization rendering the same professional service.
2. A professional organization in the form of a corporation which has only one shareholder need have only one director, who must be the shareholder. That individual also shall serve as the president and treasurer of the corporation. The other officers of the corporation need not be licensed or otherwise legally authorized in the same field of endeavor as the president.
3. A retired individual may not continue as an executive or owner of a professional organization.

**SECTION 2.** A new subsection to section 10-31-13 of the North Dakota Century Code is created and enacted as follows:

In order to help defray the costs associated with regulating organizations that have ownership that renders more than one professional service, the secretary of state may establish fees for filings related to an organization that has ownership that renders more than one professional service. Fees collected by the secretary of state under this

subsection must be deposited in the secretary of state's general services operating fund.

**SECTION 3. LEGISLATIVE INTENT.** It is the intent of the sixty-third legislative assembly:

1. That if the secretary of state establishes additional fees under section 2 of this Act, that the secretary of state take all reasonable efforts to minimize costs associated with regulating professional organizations that have ownership that renders more than one professional service; and
2. That if the secretary of state regulates more than a combined total of nine professional organizations that have ownership that renders more than one professional service and, if Senate Bill No. 2144 is approved by the sixty-third legislative assembly and becomes effective, professional organizations that have minority ownership, the secretary of state not invest in software changes related to regulation of those professional organizations until after December 31, 2014.