

**SENATE BILL NO. 2282**

Introduced by

Senators Olafson, J. Lee

Representative Dahl

1 A BILL for an Act to create and enact a new section to chapter 47-25 of the North Dakota  
2 Century Code, relating to use of trade names by franchisees; and to amend and reenact  
3 sections 47-25-06.1 and 47-25-07 of the North Dakota Century Code, relating to amendments  
4 and cancellation of trade name registrations.

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

6 **SECTION 1.** A new section to chapter 47-25 of the North Dakota Century Code is  
7 created and enacted as follows:

8 **Certain use of trade names by franchisees restricted.**

- 9 1. Except as provided in section 47-25-03, an individual or organization that is a  
10 franchisee may not register a licensed trade name under this chapter. If the  
11 licensed trade name is not registered as provided in this chapter, the franchisee  
12 may not use the trade name in this state until the franchisee has provided the  
13 following disclosure information to the secretary of state on a form prescribed by  
14 the secretary of state for that purpose:
- 15 a. The true and full name and business address of the franchisee;
  - 16 b. The complete trade name licensed to the franchisee;
  - 17 c. The address of each place of business in this state where the franchisee will  
18 use or display the unregistered trade name;
  - 19 d. The name and address of the franchiser or other licensor of the trade name;  
20 and
  - 21 e. Any other information that the secretary of state may reasonably request to  
22 identify or contact the franchisee.

1           The disclosure filing required under this subsection is subject to the same filing fee  
2           and renewal requirements as provided in section 47-25-04 for trade name  
3           registrations.

4           2. A trade name licensed to a franchisee that is not registered under the provisions of  
5           this chapter is not entitled to any trade name protection provided by this chapter.

6           **SECTION 2. AMENDMENT.** Section 47-25-06.1 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8           **47-25-06.1. Change of name or address of registrant - Other amendments.** Any  
9 registrant that effects a name change must record that name change with the secretary of state.  
10 The secretary of state must record the name change upon the payment of a fee of twenty-five  
11 dollars and filing of the following:

- 12           1. A notarized statement reciting the name change if the registrant is an individual;
- 13           2. A certificate of fact reciting the name change duly authenticated by the proper  
14           officer of the state or country if the registrant is a corporation, limited liability  
15           company, limited partnership, limited liability partnership, or limited liability limited  
16           partnership incorporated or organized in another state or country and does not  
17           have a certificate of authority to transact business in North Dakota; or
- 18           3. An amendment or application for amended certificate of authority for a registrant  
19           that is a corporation, limited liability company, limited partnership, limited liability  
20           partnership, or limited liability limited partnership registered with the secretary of  
21           state.

22           The secretary of state shall issue a certificate in the new name of the registrant for the  
23 remainder of the term of the registration or of the last renewal thereof.

24           A registrant must notify the secretary of state in writing when effecting a change of  
25 address. A corporate annual report filed by the secretary of state that reflects a change of  
26 address of the principal place of business of a registrant may serve as such notice.

27           A registrant may submit an amendment to a trade name registration on a form  
28 prescribed by the secretary of state to show any change in the nature of the business or in the  
29 purpose of the registration. The secretary of state shall amend the registration upon receipt of  
30 the completed form and payment of a fee of twenty-five dollars by the registrant.

1           **SECTION 3. AMENDMENT.** Section 47-25-07 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3           **47-25-07. Cancellation.** The secretary of state shall cancel from the register:

- 4           1. Any registration concerning which the secretary of state receives a voluntary  
5           written and signed request for cancellation from the registrant or the assignee of  
6           record. In the case of a registrant who is a deceased individual, the request for  
7           cancellation may be made by the personal representative of the registrant's estate.
- 8           2. Any registration concerning which a state district court finds any of the following:
  - 9           a. That the registered trade name has been abandoned.
  - 10           b. That the registrant is not the owner of the trade name.
  - 11           c. That the registration was granted improperly.
  - 12           d. That the registration was obtained fraudulently.
  - 13           e. That the trade name registered is so similar to a trade name registered by  
14           another person as to be likely to cause confusion or mistake or to deceive.
- 15           3. Any registration a district court orders canceled on any grounds.
- 16           4. Any trade name when the registrant is a corporation, limited liability company,  
17           limited partnership, limited liability partnership, or limited liability limited partnership  
18           that has ceased to exist for six months.