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House Bill 1084 House Government and Veterans Affairs Committee

BISMARCK ND 58505-0500

January 5, 2023

Chairman Schauer and Members of the House Government and Veterans Affairs Committee, my name is Michael Monroe. I am the Director of Business Services with the Secretary of State's office. I am here in support of House Bill 1084 which relates to requirements for certain business filings with our office.

This bill seeks to adjust a statute to make it more consistent with the requirements of many other filings received by our office.

The changes found in **Section 1** (page 1, line 11) apply to farm and ranch limited liability companies under North Dakota Century Code ch. 10-06.1, and it creates consistency. Changes were made last session (SB 2210) to ensure foreign (out-of-state) farm and ranch entities were appropriately addressed in North Dakota Century Code ch. 10-06.1 and the amendment continues that assurance. The proposed amendment does not change underlying requirements of the chapter but removes language that treats foreign farm and ranch limited liability companies differently than domestic (in-state) farm and ranch limited liability companies.

The changes in the following sections, which I have outlined below, would require a form prescribed by the Secretary of State be used when a foreign entity applies for a certificate of authority to transact business in North Dakota, seeks to amend that certificate of authority, and/or withdraws the certificate of authority. Currently, a prescribed form is required for all annual reports, and filings relating to fictitious partnership names, trade names, trademarks, and registered agent changes. The forms are available through FirstStop, the Secretary of State's online business and licensing system.

- **Section 2** (page 1, line 19), **Section 3** (page 2, lines 20 21), and **Section 4** (page 3, line 10) apply to foreign business, professional, and farm/ranch corporation certificate of authority applications, amendments, and withdrawals.
- Section 5 (page 3, line 27), Section 6 (page 4, line 8), and Section 7 (page 4, lines 17 18) apply to foreign business, professional, and farm/ranch limited liability company certificate of authority applications, amendments, and withdrawals.
- **Section 8** (page 5, line 3), **Section 9** (page 5, lines 13 14), and **Section 10** (page 6, line 2) apply to foreign nonprofit corporations and limited liability company certificate of authority applications, amendments, and withdrawals.

Completing the form on FirstStop provides many benefits to customers including more accurate completion of their filings; faster processing time; access to real-time status of the filings; simplification of future filings for that entity; and online access at any time to their certificates, receipts, and filings. Once the form has been completed on FirstStop, it may either be printed and mailed, or submitted online for processing.

I request your support of HB 1084 and would be happy to stand for any questions.