

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1477

2001 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1477

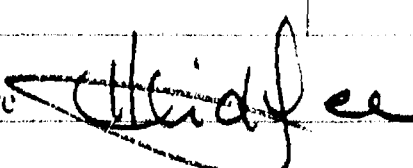
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1477

House Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date Jan 29, 2001

Tape Number	Side A	Side B	Meter #
2	X		12-31.6
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Rep April Fairfield: **Written testimony sponsoring bill.** This in no way changes the law, it just adds reporting requirements.

Chairman Berg: What is the current problem?

Rep Fairfield: Enforcement is hard to push. It's difficult to see if their in compliance.

Rep Johnson: Where else is this available?

Clara Jenkins: (23.00) *Director of Business Division for Sec. Of State* **Written testimony.**

Paul Germolus: (25.00) *Attorney General's Office* We'd like to help form the bill for more preparation.

Chairman Berg: Close the hearing on HB 147. We'll hold the bill until amendments are available.

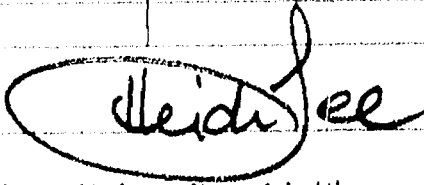
# 2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1477(B)

House Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date Feb. 13, 2001

Tape Number	Side A	Side B	Meter #
2	X		42.9-51.34
		X	2.9-17.12
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Rep Johnson: Amendments supplied and reviewed.

Clara Jenkins: Explained amendments.

Rep Froseth: I move the amendments as corrected.

Rep Lemieux: I second.

Rep Thorpe: I move a do pass as amended

Rep Ekstrom: I second.

3 yea, 11 nay, 1 absent      Carrier Rep Johnson

Rep Klein: I move a do not pass.

Rep Severson: I second.

11 yea, 3 nay, 1 absent      Carrier Rep Johnson

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1477

Page 1, line 1, after "reenact" insert "subsection 1 of section 45-10.1-08, subsection 2 of section 45-10.1-09," and after "45-10.1-14" insert ", subsection 1 of section 45-10.1-52, subsection 3 of section 45-22-03,"

Page 1, after line 4, insert:

**"SECTION 1. AMENDMENT.** Subsection 1 of section 45-10.1-08 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

1. In order to form a limited partnership, a certificate of limited partnership must be signed and filed in the office of the secretary of state. The certificate must set forth:
  - a. The name of the limited partnership.
  - b. The general character of its business.
  - c. The address of the registered office of the limited partnership and the name of the limited partnership's registered agent at that address.
  - d. The name and address of the principal place of business of each general partner.
  - e. The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:
    - (1) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
    - (2) Owns or leases land in this state which is used for farming or ranching.
  - f. Any other matters the general partners determine to include therein.

**SECTION 2. AMENDMENT.** Subsection 2 of section 45-10.1-09 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. An amendment to a certificate of limited partnership reflecting the occurrence of the event or events must be filed within thirty days after the happening of any of the following events:
  - a. The admission of a new general partner.
  - b. The admission of a new limited partner that is a corporation or limited liability company if the limited partnership:
    - (1) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
    - (2) Owns or leases land in this state which is used for farming or ranching.

- c. The withdrawal of a general partner.
- e. d. The continuation of the business under section 45-10.1-47 after an event of withdrawal of a general partner.
- d. e. A change of registered agent or change of address of registered agent."

Page 1, line 21, replace "If so engaged, a description of the extent to which the limited partnership is" with "The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:

- (1) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
- (2) Owns or leases land in this state which is used for farming or ranching.

**SECTION 4. AMENDMENT.** Subsection 1 of section 45-10.1-52 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

1. In order to register, a foreign limited partnership shall submit to the secretary of state, on forms prescribed and furnished by the secretary of state, an application for registration as a foreign limited partnership, signed and sworn to by a general partner and setting forth all of the following:
  - a. The name of the foreign limited partnership and, if different, the name under which the foreign limited partnership proposes to register and transact business in this state.
  - b. The state and date of the foreign limited partnership's formation.
  - c. The general character of the business the foreign limited partnership proposes to transact in this state.
  - d. The name and address of any agent for service of process on the foreign limited partnership whom the foreign limited partnership elects to appoint and which must be an individual resident of this state, a domestic corporation, a domestic limited liability company, a foreign corporation, or a foreign limited liability company having a place of business in, and authorized to do business in, this state.
  - e. A statement that the secretary of state is appointed the agent of the foreign limited partnership for service of process if the agent's authority is revoked or if the agent cannot be found or served with the exercise of reasonable diligence.
  - f. The address of the principal office of the foreign limited partnership.
  - g. The name and address of the principal place of business of each general partner.
  - h. The address of the office at which is kept a list of the names and addresses of the limited partners and the limited partners' capital contributions, together with an undertaking by the foreign limited partnership to keep those records until the foreign limited partnership's registration in this state is canceled or withdrawn.

i. The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:

- (1) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
- (2) Owns or leases land in this state which is used for farming or ranching.

**SECTION 5. AMENDMENT.** Subsection 3 of section 45-22-03 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

3. A registration must contain:

a. With respect to a domestic limited liability partnership:

- (1) The name of the domestic limited liability partnership.
- (2) The nature of the business to be transacted in this state.
- (3) The address of the principal executive office of the domestic limited liability partnership.
- (4) The address of the registered office of the domestic limited liability partnership and the name of the registered agent at that address.
- (5) The name and address of each managing partner.
- (6) A statement that the partnership elects to be a limited liability partnership.
- (7) A deferred effective date, if any.
- (8) The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:
  - (a) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
  - (b) Owns or leases land in this state which is used for farming or ranching.

b. With respect to a foreign limited liability partnership:

- (1) The name of the foreign limited liability partnership and, if different, the name under which the foreign limited liability partnership proposes to transact business in this state.
- (2) The jurisdiction of origin.
- (3) The date on which the foreign limited liability partnership expires in the jurisdiction of origin.
- (4) The nature of the business to be transacted in this state.
- (5) The address of the principal executive office of the foreign limited liability partnership.

- L
- (6) The address of the registered office of the foreign limited liability partnership and the name of the foreign limited liability partnership's registered agent at that address.
  - (7) The name and address of each managing partner.
  - (8) An acknowledgment that the status of the foreign limited liability partnership in this state will automatically expire unless the foreign limited liability partnership continuously maintains limited liability partnership status in the jurisdiction of origin.
  - (9) The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:
    - (a) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
    - (b) Owns or leases land in this state which is used for farming or ranching.
- c. The registration must be accompanied by payment of the fees provided in section 45-22-22 together with a certificate of good standing or certificate of existence authenticated by the registering officer of the state or country where the foreign limited liability partnership is originally registered and the consent of the designated registered agent for service of process to serve in that capacity."

Page 1, remove lines 22 and 23

Page 2, line 15, replace "If so engaged, a description of the extent to which the limited liability" with "The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:

- (1) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
- (2) Owns or leases land in this state which is used for farming or ranching."

Page 2, remove lines 16 and 17

Renumber accordingly



Date: 2-12-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB1477

House Industry, Business and Labor Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass as Amended

Motion Made By Thorpe Seconded By Ekstorm

Representatives	Yes	No	Representatives	Yes	No
Chairman- Rick Berg		✓	Rep. Jim Kasper		✓
Vice-Chairman George Keiser		✓	Rep. Matthew M. Klein		✓
Rep. Mary Ekstorm	✓		Rep. Myron Koppang		✓
Rep. Rod Froelich		✓	Rep. Doug Lemieux	✓	
Rep. Glen Froseth		✓	Rep. Bill Pietsch		✓
Rep. Roxanne Jensen		✓	Rep. Dan Ruby		✓
Rep. Nancy Johnson		✓	Rep. Dale C. Severson		✓
			Rep. Elwood Thorpe	✓	

Total (Yes) 3 No 11

Absent 1

Floor Assignment Rep Johnson

If the vote is on an amendment, briefly indicate intent:

Date: 2-13-01  
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1477

House Industry, Business and Labor Committee

Legislative Council Amendment Number 10691.0102 .0200

Action Taken Do Not Pass as Amended

Motion Made By M. Klein Seconded By Severson

Representatives	Yes	No	Representatives	Yes	No
Chairman- Rick Berg	✓		Rep. Jim Kasper	✓	
Vice-Chairman George Keiser	✓		Rep. Matthew M. Klein	✓	
Rep. Mary Ekstorm		✓	Rep. Myron Koppang	✓	
Rep. Rod Froelich			Rep. Doug Lemieux		✓
Rep. Glen Froseth	✓		Rep. Bill Pietsch	✓	
Rep. Roxanne Jensen	✓		Rep. Dan Ruby	✓	
Rep. Nancy Johnson	✓		Rep. Dale C. Severson	✓	
			Rep. Elwood Thorpe		✓

Total (Yes) 11 ~~3~~ No 3 ~~1~~

Absent 1

Floor Assignment Rep Johnson

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1477: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (11 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1477 was placed on the Sixth order on the calendar.

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  - b. The general character of its business.
  - c. The address of the registered office of the limited partnership and the name of the limited partnership's registered agent at that address.
  - d. The name and address of the principal place of business of each general partner.
  - e. The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:
    - (1) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
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  - b. The state and date of the foreign limited partnership's formation.
  - c. The general character of the business the foreign limited partnership proposes to transact in this state.
  - d. The name and address of any agent for service of process on the foreign limited partnership whom the foreign limited partnership elects to appoint and which must be an individual resident of this state, a domestic corporation, a domestic limited liability company, a foreign corporation, or a foreign limited liability company having a place of business in, and authorized to do business in, this state.
  - e. A statement that the secretary of state is appointed the agent of the foreign limited partnership for service of process if the agent's authority is revoked or if the agent cannot be found or served with the exercise of reasonable diligence.
  - f. The address of the principal office of the foreign limited partnership.
  - g. The name and address of the principal place of business of each general partner.

- h. The address of the office at which is kept a list of the names and addresses of the limited partners and the limited partners' capital contributions, together with an undertaking by the foreign limited partnership to keep those records until the foreign limited partnership's registration in this state is canceled or withdrawn.
- i. The name and address of each limited partner of the limited partnership which is a corporation or a limited liability company if the limited partnership:
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  - (b) Owns or leases land in this state which is used for farming or ranching.

b. With respect to a foreign limited liability partnership:

- (1) The name of the foreign limited liability partnership and, if different, the name under which the foreign limited liability partnership proposes to transact business in this state.

- (2) The jurisdiction of origin.
  - (3) The date on which the foreign limited liability partnership expires in the jurisdiction of origin.
  - (4) The nature of the business to be transacted in this state.
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  - (8) An acknowledgment that the status of the foreign limited liability partnership in this state will automatically expire unless the foreign limited liability partnership continuously maintains limited liability partnership status in the jurisdiction of origin.
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    - (a) Is engaged in the business of farming or ranching in this state, as defined in section 10-06.1-01; or
    - (b) Owns or leases land in this state which is used for farming or ranching.
- c. The registration must be accompanied by payment of the fees provided in section 45-22-22 together with a certificate of good standing or certificate of existence authenticated by the registering officer of the state or country where the foreign limited liability partnership is originally registered and the consent of the designated registered agent for service of process to serve in that capacity."

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- (2) Owns or leases land in this state which is used for farming or ranching."

Page 2, remove lines 16 and 17

Renumber accordingly

2001 TESTIMONY

HB 1477

HB 1477  
Rep Fairfield

REQUIRED ELEMENTS OF INFORMATION REPORTED  
TO  
SECRETARY OF STATE  
BY  
BUSINESS ORGANIZATIONS

On Origination Documents:	Corps.	LLC's	Farm Corps/LLC's	Partnerships
Name of organization	x	x	x	x
Principal address				x
Registered agent	x	x	x	x
Agent's address	x	x	x	x
Nature of Business			x	x
# of Shares & Par(authorized)	x		x(corps)	
Names of all organizers	x	x	x	
Addresses of organizers	x	x	x	
Names of managing partners				x
Addresses of managing partners				x
Names of shareholders			x	
Addresses of shareholders			x	
Kinship of shareholders			x	
Declaration of citizenship			x	
Acreage owned or leased			x	

On annual reports:	Corps.	LLC's	Farm Corps/LLC's	Partnerships
Name of organization	x	x	x	x
Principal address	x	x	x	x
Registered agent	x	x	x	x
Agent's address	x	x	x	x
Nature of Business	x	x	x	x
# of Shares & Par authorized	x		x(corps)	
# of shares issued	x		x(corps)	
Value of property	x			
Gross receipts	x			
Names of officers & board	x	x	x	
Addresses of officers/board	x	x	x	
Names of managing partners				x
Addresses of managing partners				x
Names of shareholders			x	
Addresses of shareholders			x	
Kinship of shareholders			x	
Declaration of citizenship			x	
Acreage owned or leased			x	
% nonfarming income			x	



ALVIN A. JAEGER  
SECRETARY OF STATE

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## SECRETARY OF STATE

STATE OF NORTH DAKOTA  
600 EAST BOULEVARD AVENUE DEPT 108  
BISMARCK ND 58505-0800

January 29, 2001

TO: Rep. Berg and Members – House Industry, Business and Labor Committee

FR: Al Jaeger, Secretary of State (presented by Clara Jenkins, Director, Business Division)

RE: HB 1477 – Reporting Requirements for Limited Partnerships and Limited Liability Partnerships

This bill establishes additional reporting requirements on the annual report for limited partnerships and limited liability partnerships that are engaged in some aspect of farming or ranching.

Because these annual reports are filed with the Secretary of State's office, the agency is concerned about the present language in the bill.

As the bill is currently drafted, the reporting requirements are too vague. As a result, the agency would be challenged to provide adequate guidelines and direction to the applicable filers of these particular annual reports. If the information requested and provided is unclear, then it also becomes challenging for the Secretary of State and the Attorney General to effectively enforce the state's present farming statutes. In other words, if it is a requirement, then the information should be clear, useful and relatively easy to provide and administer for all concerned.

For the reporting process to be workable, the Secretary of State (in consultation with the Office of the Attorney General) believes that the bill needs to include amendments to at least three additional sections of the North Dakota Century Code. Without them, the Secretary of State would be opposed to the adoption of the bill in its present form.

However, if the committee is in agreement with the objectives of the bill, the Secretary of State's office is certainly willing to work with the Office of the Attorney General to prepare the appropriate amendments. Please let us know if you wish for us to proceed.

The Secretary of State thanks you for your considering the agency's concerns.