

Introduced by

Senator Klein

Representative Keiser

1 A BILL for an Act to create and enact subsection 5 of section 10-06.1-01 of the North Dakota
2 Century Code, relating to filing requirements with the secretary of state; and to amend and
3 reenact subsection 1 of section 10-01.1-08, sections 10-06.1-04, 10-06.1-05, 10-06.1-12,
4 10-06.1-15, 10-06.1-17, and 10-06.1-23, subsection 1 of section 10-15-42, subsection 4 of
5 section 10-15-53.1, subsection 3 of section 10-32.1-89, subsections 1 and 2 of section
6 10-32.1-102, subdivision a of subsection 3 of section 10-33-01, section 10-33-13, subsection 3
7 of section 10-33-139, subsection 3 of section 10-36-07, sections 26.1-12.1-13, 40-04-06, and
8 43-54-03, subsection 3 of section 45-10.2-108, section 45-11-08.2, subsection 3 of section
9 45-22-21.1, sections 47-22-08 and 47-25-07, and subsection 1 of section 50-22-04 of the North
10 Dakota Century Code, relating to filing requirements with the secretary of state.

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

12 **SECTION 1. AMENDMENT.** Subsection 1 of section 10-01.1-08 of the North Dakota
13 Century Code is amended and reenacted as follows:

- 14 1. A represented entity may change the information currently on file under subsection 1
15 of section 10-01.1-05 by filing with the secretary of state a statement of change on
16 forms prescribed by the secretary of state and signed on behalf of the entity which
17 states:
- 18 a. The name of the entity; and
 - 19 b. The information that is to be in effect as a result of the filing of the statement of
20 change.

21 **SECTION 2.** Subsection 5 of section 10-06.1-01 of the North Dakota Century Code is
22 created and enacted as follows:

- 23 5. "Operating the farm or ranch" means engaging in personal labor or management
24 activities on or off the farm or ranch, which contribute to the farm or ranch operations.

1 **SECTION 3. AMENDMENT.** Section 10-06.1-04 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **10-06.1-04. Conversion of corporations.**

4 A business corporation ~~organized~~regulated under chapter 10-19.1 may convert to a farming
5 or ranching corporation by adopting an amendment to its articles of incorporation or by applying
6 for an amended certificate of authority which specifies that the corporation elects to be subject
7 to this chapter and by complying with all requirements of this chapter. The amendment must be
8 filed with the secretary of state with the prescribed fee and with the initial report required by
9 section 10-06.1-15. A farming or ranching corporation may convert to a business corporation by
10 adopting an amendment to its articles of incorporation or by applying for an amended certificate
11 of authority. The amendment must be filed with the secretary of state with the prescribed fee.
12 The amendment must be accompanied by a report outlining the information, as of the date of
13 the amendment, which is required under section 10-06.1-17, and the manner in which the
14 corporation has divested itself of its owned or leased land holdings and its business of farming
15 or ranching.

16 **SECTION 4. AMENDMENT.** Section 10-06.1-05 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **10-06.1-05. Conversion of limited liability company.**

19 A ~~domestic~~ business limited liability company ~~organized~~regulated under chapter 10-32.1
20 may convert to a farming or ranching limited liability company by adopting an amendment to its
21 articles of organization or by applying for an amended certificate of authority which specifies
22 that the limited liability company elects to be subject to this chapter and by complying with all
23 requirements of this chapter. The amendment must be filed with the secretary of state with the
24 prescribed fee and with the initial report required by section 10-06.1-15. A farming or ranching
25 limited liability company may convert to a ~~domestic~~ business limited liability company by
26 adopting an amendment to its articles of organization or by applying for an amended certificate
27 of authority. The amendment must be filed with the secretary of state with the prescribed fee.
28 The amendment must be accompanied by a report outlining the information, as of the date of
29 the amendment, which is required under section 10-06.1-17 and the manner in which the limited
30 liability company has divested itself of its owned or leased land holdings and its business of
31 farming or ranching.

1 **SECTION 5. AMENDMENT.** Section 10-06.1-12 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **10-06.1-12. Corporation or limited liability company allowed to engage in the**
4 **business of farming or ranching - Requirements.**

5 This chapter does not prohibit a domestic corporation or a domestic limited liability company
6 from owning real estate and engaging in the business of farming or ranching, if the corporation
7 meets all the requirements of chapter 10-19.1 or the limited liability company meets all the
8 requirements of chapter 10-32.1 which are not inconsistent with this chapter. The following
9 requirements also apply:

- 10 1. If a corporation, the corporation must not have more than fifteen shareholders. If a
11 limited liability company, the limited liability company must not have more than fifteen
12 members.
- 13 2. Each shareholder or member must be related to each of the other shareholders or
14 members within one of the following degrees of kinship or affinity: parent, son,
15 daughter, stepson, stepdaughter, grandparent, grandson, granddaughter, brother,
16 sister, uncle, aunt, nephew, niece, great-grandparent, great-grandchild, first cousin,
17 second cousin, or the spouse of a person so related.
- 18 3. Each shareholder or member must be an individual or one of the following:
 - 19 a. A trust for the benefit of an individual or a class of individuals who are related to
20 every shareholder of the corporation or member of the limited liability company
21 within the degrees of kinship or affinity specified in this section.
 - 22 b. An estate of a decedent who was related to every shareholder of the corporation
23 or member of the limited liability company within the degrees of kinship or affinity
24 specified in this section.
- 25 4. A trust or an estate may not be a shareholder or member if the beneficiaries of the
26 trust or the estate together with the other shareholders or members are more than
27 fifteen in number.
- 28 5. Each individual who is a shareholder or member must be a citizen of the United States
29 or a permanent resident alien of the United States.
- 30 6. If a corporation, the officers and directors of the corporation must be shareholders who
31 are actively engaged in operating the farm or ranch and at least one of the

1 corporation's shareholders must be an individual residing on or operating the farm or
2 ranch. If a limited liability company, the governors and managers of the limited liability
3 company must be members who are actively engaged in operating the farm or ranch
4 and at least one of its members must be an individual residing on or operating the
5 farm or ranch.

6 7. An annual average of at least sixty-five percent of the gross income of the corporation
7 or limited liability company over the previous five years, or for each year of its
8 existence, if less than five years, must have been derived from farming or ranching
9 operations.

10 8. The income of the corporation or limited liability company from nonfarm rent, nonfarm
11 royalties, dividends, interest, and annuities cannot exceed twenty percent of the gross
12 income of the corporation or limited liability company.

13 9. The corporation or limited liability company must own or lease farmland or ranchland
14 in this state.

15 **SECTION 6. AMENDMENT.** Section 10-06.1-15 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **10-06.1-15. Initial report - Shareholder and member requirements.**

18 1. Every farming or ranching corporation or limited liability company shall file an initial
19 report with its articles of incorporation, articles of organization, or certificate of
20 authority. The report must be signed by the incorporators or organizers or, in the case
21 of a certificate of authority, an authorized person, and must contain the following:

22 a. The name of the corporation or limited liability company.

23 b. With respect to each shareholder or member:

24 (1) The name and address of each, including the names and addresses and
25 relationships of trusts and estates that own shares or membership interests;

26 (2) The number of shares or membership interests or percentage of shares or
27 membership interests owned by each;

28 (3) The relationship of each;

29 (4) A statement of whether each is a citizen or permanent resident alien of the
30 United States; and

- 1 (5) A statement of whether each ~~is~~will be actively engaged in operating the farm
2 or ranch; ~~and~~ whether each ~~resides~~will reside on the farm or ranch; ~~and~~
3 ~~whether each depends principally on farming or ranching for a livelihood.~~
- 4 c. With respect to management:
- 5 (1) If a corporation, then the names and addresses of the officers and members
6 of the board of directors; or
- 7 (2) If a limited liability company, then the names and addresses of the
8 managers and members of the board of governors.
- 9 d. Alf the purchase or lease of farmland or ranchland is final at the time of the initial
10 report, a statement listing the acreage [hectarage] and location listed by section,
11 township, range, and county of all land in the state owned or leased by the
12 corporation or limited liability company and used for farming or ranching. If the
13 purchase or lease of farmland or ranchland is not yet final at the time of the initial
14 report, a statement that there is a bona fide and imminent intent and a plan to
15 purchase or lease farmland or ranchland in the state.
- 16 e. A statement that at least sixty-five percent of the gross income of the corporation
17 or limited liability company will be derived from farming or ranching operations,
18 and that twenty percent or less of the gross income of the corporation or limited
19 liability company will be from nonfarm rent, nonfarm royalties, dividends, interest,
20 and annuities.
- 21 2. A corporation or a limited liability company may not commence farming or ranching in
22 this state until the secretary of state has received and filed the articles of incorporation
23 or articles of organization and the initial report required by this section. The
24 corporation or limited liability company shall furnish to the official county newspaper of
25 each county or counties in which any land is owned or leased by the corporation or
26 limited liability company a legal notice reporting the following:
- 27 a. The name of the corporation or limited liability company and its shareholders or
28 members as listed in the initial report.
- 29 b. A statement to the effect that the corporation or limited liability company has
30 reported that it owns or leases land used for farming or ranching in the county

1 and that a description of that land is available for inspection at the secretary of
2 state's office.

3 **SECTION 7. AMENDMENT.** Section 10-06.1-17 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **10-06.1-17. Annual report - Contents - Filing requirements.**

6 ~~Before April sixteenth of each year,~~Except for the first annual report, the annual report of a
7 corporation engaged in farming or ranching after June 30, 1981, and a limited liability company
8 engaged in farming or ranching ~~shall file with~~must be delivered to the secretary of state
9 ~~an~~before April sixteenth of each year. The first annual report must be delivered before April
10 sixteenth in the year following the calendar year of the effective date of the articles of
11 incorporation, articles of organization, or certificate of authority. The annual report must be
12 signed as provided in subsection 58 of section 10-19.1-01 if a corporation and subsection ~~4749~~
13 of section 10-32.1-02 if a limited liability company, and submitted on a form prescribed by the
14 secretary of state. If the corporation or limited liability company is in the hands of a receiver or
15 trustee, it must be signed on behalf of the corporation or limited liability company by the receiver
16 or trustee. An annual report must include the following information with respect to the preceding
17 calendar year:

- 18 1. The name of the corporation or limited liability company.
- 19 2. The name of the registered agent of the corporation or limited liability company as
20 provided in chapter 10-01.1 and, if a noncommercial registered agent, the address of
21 the registered office of the corporation or limited liability company in this state.
- 22 3. With respect to each corporation:
 - 23 a. A statement of the aggregate number of shares the corporation has authority to
24 issue, itemized by classes, par value of shares, shares without par value, and
25 series, if any, within a class.
 - 26 b. A statement of the aggregate number of issued shares, itemized by classes, par
27 value of shares, shares without par value, and series, if any, within a class.
- 28 4. With respect to each shareholder or member:
 - 29 a. The name and address of each, including the names and addresses and
30 relationships of beneficiaries of trusts and estates which own shares or
31 membership interests;

- 1 b. The number of shares or membership interests or percentage of shares or
2 membership interests owned by each;
- 3 c. The relationship of each;
- 4 d. A statement of whether each is a citizen or permanent resident alien of the United
5 States; and
- 6 e. A statement of whether at least one is an individual residing on or operating the
7 farm or ranch.
- 8 5. With respect to management:
 - 9 a. If a corporation, then the ~~names~~name and ~~addresses~~address of the ~~officer~~each
10 officer and ~~members~~member of the board of directors, and a statement of
11 whether each is a shareholder actively engaged in operating the farm or ranch; or
 - 12 b. If a limited liability company, then the ~~names~~name and ~~addresses~~address of the
13 ~~manager~~each manager and ~~members~~member of the board of governors, and a
14 statement of whether each is a member actively engaged in operating the farm or
15 ranch.
- 16 6. A statement providing the land description and listing the acreage [hectarage] and
17 location listed by section, township, range, and county of all land in the state owned or
18 leased by the corporation or limited liability company and used for farming or ranching.
19 The statement must also designate which, if any, of the acreage [hectarage] is leased
20 from or jointly owned with any shareholder or member and list the name of the
21 shareholder or member with that acreage [hectarage].
- 22 7. A statement of the percentage of the annual average gross income of the corporation
23 or limited liability company which has been derived from farming or ranching
24 operations over the previous five years or for each year of existence if less than five
25 years.
- 26 8. A statement of the percentage of gross income of the corporation or limited liability
27 company derived from nonfarm rent, nonfarm royalties, dividends, interest, and
28 annuities during the period covered by the report.
- 29 9. A corporation engaged in farming which fails to file an annual report is subject to the
30 penalties for failure to file an annual report as provided in chapter 10-19.1, except that
31 the penalties must be calculated from the date of the report required by this section.

1 10. A limited liability company engaged in farming which fails to file an annual report is
2 subject to the penalties for failure to file an annual report as provided in chapter
3 10-32.1, except that the penalties must be calculated from the date of the report
4 required by this section.

5 **SECTION 8. AMENDMENT.** Section 10-06.1-23 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **10-06.1-23. Attorney general to conduct random compliance program.**

8 Each year the attorney general shall select at random at least five percent of the total
9 number of corporations and limited liability companies authorized by this chapter for requests
10 for information to determine compliance with this chapter. For such purpose, the attorney
11 general may request affidavits, share transfer records, certified copies of marriage licenses,
12 birth certificates, deeds, leases, and such other records and documents necessary to determine
13 compliance. The corporation or limited liability company shall comply with any request for
14 information made under this section.

15 **SECTION 9. AMENDMENT.** Subsection 1 of section 10-15-42 of the North Dakota Century
16 Code is amended and reenacted as follows:

17 1. Articles of merger or consolidation shall set forth the approved plan and such other
18 information as is required by section 10-15-38. They shall be signed by two principal
19 officers of each association merging or consolidating, sealed with the seal of each
20 such association if any, and filed as an amendment to the articles. Unless otherwise
21 specified in the plan, the merger or consolidation is effective when the articles are so
22 filed.

23 **SECTION 10. AMENDMENT.** Subsection 4 of section 10-15-53.1 of the North Dakota
24 Century Code is amended and reenacted as follows:

25 4. ~~The~~Except for the first annual report, the annual report of a cooperative or foreign
26 cooperative must be delivered to the secretary of state with the fees provided in
27 section 10-15-54 before April first of each year, ~~except the~~. The first annual report of a
28 cooperative or foreign cooperative must be delivered before April first in the year
29 following the calendar year of the effective date stated in the articles of association,
30 and the first annual report of a foreign cooperative must be delivered before April first
31 of the year following the calendar year in which the ~~certificate of incorporation or~~

1 certificate of authority was issued by the secretary of state. The secretary of state shall
2 file the report if the report conforms to the requirements of subsections 1 and 2.

3 a. If the report does not conform to those requirements, the report must be returned
4 to the cooperative or foreign cooperative for any necessary corrections.

5 b. If the report is filed before the deadlines provided in this section, any penalty for
6 the failure to file a report within the time provided does not apply if the report is
7 corrected to conform to the requirements of subsections 1 and 2 and returned to
8 the secretary of state within thirty days after the annual report was returned by
9 the secretary of state for corrections.

10 **SECTION 11. AMENDMENT.** Subsection 3 of section 10-32.1-89 of the North Dakota
11 Century Code is amended and reenacted as follows:

12 3. ~~The~~Except for the first annual report, the annual report of a limited liability company or
13 foreign limited liability company must be delivered to the secretary of state before
14 November sixteenth of each year, ~~except that the~~. The first annual report of a limited
15 liability company or~~must be delivered before November sixteenth in the year following~~
16 the calendar year of the effective date stated in the articles of organization, and the
17 first annual report of a foreign limited liability company must be delivered before
18 November sixteenth of the year following the calendar year in which the ~~certificate of~~
19 ~~organization or~~ certificate of authority was issued by the secretary of state. The
20 secretary of state must file the report if the report conforms to the requirements of
21 subsections 1 and 2.

22 a. If the report does not conform, then it must be returned to the limited liability
23 company or foreign limited liability company for any necessary corrections.

24 b. If the report is filed before the deadlines provided in this subsection, then
25 penalties for the failure to file a report within the time provided do not apply if the
26 report is corrected to conform to the requirements of subsections 1 and 2 and
27 returned to the secretary of state within thirty days after the annual report was
28 returned by the secretary of state for correction.

29 **SECTION 12. AMENDMENT.** Subsections 1 and 2 of section 10-32.1-102 of the North
30 Dakota Century Code are amended and reenacted as follows:

- 1 1. An operating agreement of a limited liability company regulated under this chapter and
2 not under chapter 10-06.1, 10-31, or 10-36 may establish or provide for the
3 establishment of a designated series of members, managers, transferable interests, or
4 assets that:
- 5 a. Has separate rights, powers, or duties with respect to specified property or
6 obligations of the limited liability company or profits and losses associated with
7 specified property or obligations; or
8 b. Has a separate business purpose or investment objective.
- 9 2. A series established in accordance with subsection 1 may carry on any business,
10 purpose, or activity, ~~whether or not for profit~~, which is not prohibited by this chapter. A
11 series may not carry on any business, purpose, or activity that is required to meet the
12 requirements under chapter 10-06.1, 10-31, or 10-36.

13 **SECTION 13. AMENDMENT.** Subdivision a of subsection 3 of section 10-33-01 of the North
14 Dakota Century Code is amended and reenacted as follows:

- 15 a. In the case of a corporation incorporated under or governed by this chapter,
16 articles of incorporation, articles of amendment, a resolution of election to
17 become governed by this chapter, a statement of change of registered office,
18 registered agent, or name of registered agent, articles of merger, articles of
19 consolidation, articles of abandonment, and articles of dissolution, ~~and any~~
20 ~~annual report in which a registered office or registered agent has been~~
21 ~~established or changed.~~

22 **SECTION 14. AMENDMENT.** Section 10-33-13 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **10-33-13. Change of registered office - Appointment or change of registered agent -**
25 **Change of name of registered agent.**

- 26 1. A corporation may change its registered office, change its registered agent, or state a
27 change in the name of its registered agent as provided in chapter 10-01.1.
- 28 2. A registered agent of a corporation may resign as provided in chapter 10-01.1.
- 29 3. ~~The fees provided in section 10-01.1-03 for change of registered agent and change of~~
30 ~~registered office do not apply if the registered agent or registered office is established~~
31 ~~or changed in the annual report.~~

1 **SECTION 15. AMENDMENT.** Subsection 3 of section 10-33-139 of the North Dakota
2 Century Code is amended and reenacted as follows:

- 3 3. ~~The~~Except for the first annual report, the annual report of a nonprofit corporation or a
4 foreign nonprofit corporation must be delivered to the secretary of state before
5 February second of each year; ~~except that the~~. The first annual report of a nonprofit
6 corporation must be delivered before February second of the year following the
7 calendar year of the effective date stated in the articles of incorporation, and the first
8 annual report of a foreign nonprofit corporation must be delivered before February
9 second of the year following the calendar year in which the certificate of incorporation
10 ~~or certificate of authority~~ was issued by the secretary of state. The secretary of state
11 must file the report if the report conforms to the requirements of subsection 2.
- 12 a. If the report does not conform, it must be returned to the corporation for any
13 necessary corrections.
- 14 b. If the report is filed before the deadlines provided in this subsection, penalties for
15 the failure to file a report within the time provided do not apply, if the report is
16 corrected to conform to the requirements of subsection 2 and returned to the
17 secretary of state within thirty days after the annual report was returned by the
18 secretary of state for correction.

19 **SECTION 16. AMENDMENT.** Subsection 3 of section 10-36-07 of the North Dakota
20 Century Code is amended and reenacted as follows:

- 21 3. ~~The~~Except for the first annual report, the annual report of a nonprofit limited liability
22 company or foreign nonprofit limited liability company must be delivered to the
23 secretary of state before February second of each year; ~~except that the~~. The first
24 annual report of a nonprofit limited liability company must be delivered before
25 February second of the year following the calendar year of the effective date stated in
26 the articles of organization, and the first annual report of a foreign nonprofit limited
27 liability company must be delivered before February second of the year following the
28 calendar year in which the ~~certificate of organization or~~ certificate of authority was
29 issued by the secretary of state. The secretary of state must file the report if the report
30 conforms to the requirements of subsection 2.

- 1 a. If the report does not conform, it must be returned to the nonprofit limited liability
2 company or foreign nonprofit limited liability company for any necessary
3 corrections.
- 4 b. If the report is filed before the deadlines provided in this subsection, penalties for
5 the failure to file a report within the time provided do not apply, if the report is
6 corrected to conform to the requirements of subsection 2 and returned to the
7 secretary of state within thirty days after the annual report was returned by the
8 secretary of state for correction.

9 **SECTION 17. AMENDMENT.** Section 26.1-12.1-13 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **26.1-12.1-13. Incorporation.**

12 A mutual insurance holding company resulting from the reorganization of a domestic mutual
13 insurance company must be incorporated under chapter ~~40-19.410-33~~. The articles of
14 incorporation of the mutual insurance holding company are subject to approval of the
15 commissioner in the same manner as those of an insurance company.

16 **SECTION 18. AMENDMENT.** Section 40-04-06 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **40-04-06. Patent to city to be recorded - Use as evidence.**

19 A patent issued by the governor under the provisions of this chapter shall be recorded in the
20 office of the secretary of state ~~in a book kept for that purpose~~. Any patent so issued and
21 recorded and the record thereof, or a certified copy thereof, shall be conclusive evidence in all
22 courts and places of the due incorporation of the city mentioned therein and of all the facts
23 therein recited.

24 **SECTION 19. AMENDMENT.** Section 43-54-03 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **43-54-03. Registering of home inspectors.**

27 An applicant for a registration as a home inspector shall file a written application in the form
28 prescribed by the registrar. An applicant:

- 29 1. Must be at least eighteen years of age;
- 30 2. Shall submit proof of satisfactory completion of an examination on home inspection
31 offered by the American society of home inspectors, ~~the national association of home~~

- 1 inspectors, the ~~national~~international association of certified home inspectors, the
2 examination board of professional home inspectors, or the international code council;
- 3 3. Shall submit proof of current errors and omissions insurance coverage in an amount of
4 one hundred thousand dollars or more covering all home inspection activities; and
- 5 4. Shall pay a fee of two hundred dollars.

6 **SECTION 20. AMENDMENT.** Subsection 3 of section 45-10.2-108 of the North Dakota
7 Century Code is amended and reenacted as follows:

- 8 3. ~~The~~Except for the first annual report, the annual report of a limited partnership or
9 foreign limited partnership must be delivered to the secretary of state before April first
10 of each year,~~except the~~. The first annual report of a limited partnership or~~must be~~
11 delivered before April first of the year following the calendar year of the effective date
12 of the limited partnership certificate and the first annual report of a foreign limited
13 partnership must be delivered before April first of the year following the calendar year
14 in which the ~~certificate of limited partnership or~~ certificate of authority was filed by the
15 secretary of state. The secretary of state shall file the report if the report conforms to
16 the requirements of subsection 2.
- 17 a. If the report does not conform, then the report must be returned to the limited
18 partnership or foreign limited partnership for any necessary corrections.
- 19 b. If the report is filed before the deadlines provided in this subsection, then
20 penalties for the failure to file a report within the time provided do not apply if the
21 report is corrected to conform to the requirements of subsection 2 and returned to
22 the secretary of state within thirty days after the annual report was returned by
23 the secretary of state for correction.

24 **SECTION 21. AMENDMENT.** Section 45-11-08.2 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **45-11-08.2. Cancellation.**

27 The secretary of state shall cancel:

- 28 1. Any fictitious name filed before August 1, 1997, by a limited liability partnership upon
29 written request for cancellation, from one or more partners, without a filing fee.
- 30 2. Any other fictitious name upon ~~written~~ request for cancellation on forms prescribed by
31 the secretary of state, from one or more partners, with the filing fee of ten dollars.

- 1 3. Any fictitious name when the registrant is a limited partnership, a limited liability
2 partnership, or limited liability limited partnership that has ceased to exist for six
3 months.

4 **SECTION 22. AMENDMENT.** Subsection 3 of section 45-22-21.1 of the North Dakota
5 Century Code is amended and reenacted as follows:

- 6 3. ~~The~~Except for the first annual report, the annual report of a limited liability partnership
7 or foreign limited liability partnership must be delivered to the secretary of state before
8 April first of each year,~~except the.~~The first annual report of a limited liability
9 partnership must be delivered before April first of the year following the calendar year
10 of the effective date stated in the registration and the first annual report of a foreign
11 limited liability partnership must be delivered before April first of the year following the
12 calendar year in which the registration is filed by the secretary of state. A limited
13 liability partnership in existence on July 1, 1999, shall file the first annual report before
14 April first in the year of the expiration of the registration in effect on July 1, 1999. The
15 secretary of state must file the annual report if the annual report conforms to the
16 requirements of subsection 2.
- 17 a. If the annual report does not conform, the annual report must be returned to the
18 limited liability partnership for any necessary corrections.
- 19 b. If the annual report is filed before the deadlines provided in this subsection,
20 penalties for the failure to file a report within the time provided do not apply if the
21 annual report is corrected to conform to the requirements of subsection 2 and
22 returned to the secretary of state within thirty days after the annual report was
23 returned by the secretary of state for correction.

24 **SECTION 23. AMENDMENT.** Section 47-22-08 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **47-22-08. Cancellation.**

27 The secretary of state shall cancel from the register:

- 28 1. Any registration concerning which the secretary of state shall receive a voluntary
29 ~~written and signed~~ request for cancellation thereof from the registrant or the assignee
30 of record on forms prescribed by the secretary of state.

- 1 2. All registrations granted under this chapter and not renewed in accordance with the
- 2 provisions hereof.
- 3 3. Any registration concerning which a state district court shall find any of the following:
- 4 a. That the registered mark has been abandoned.
- 5 b. That the registrant is not the owner of the mark.
- 6 c. That the registration was granted improperly.
- 7 d. That the registration was obtained fraudulently.
- 8 e. That the registration mark is so similar, as to be likely to cause confusion or
- 9 mistake or to deceive, to a mark registered by another person in the United
- 10 States patent office, prior to the date of the filing of the application for registration
- 11 by the registrant hereunder, and not abandoned; provided, however, that should
- 12 the registrant prove that the registrant is the owner of a concurrent registration of
- 13 the registrant's mark in the United States patent office covering an area including
- 14 this state, the registration hereunder shall not be canceled.
- 15 4. When a district court shall order cancellation of a registration on any ground.
- 16 5. Any mark whose registered owner is a corporation, limited liability company, limited
- 17 partnership, limited liability partnership, or limited liability limited partnership that has
- 18 ceased to exist for six months.

19 **SECTION 24. AMENDMENT.** Section 47-25-07 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **47-25-07. Cancellation.**

22 The secretary of state shall cancel from the register:

- 23 1. Any registration concerning which the secretary of state receives a voluntary ~~written-~~
- 24 ~~and signed~~ request for cancellation from the registrant or the assignee of record on
- 25 forms prescribed by the secretary of state. In the case of a registrant who is a
- 26 deceased individual, the request for cancellation may be made by the personal
- 27 representative of the registrant's estate.
- 28 2. Any registration concerning which a state district court finds any of the following:
- 29 a. That the registered trade name has been abandoned.
- 30 b. That the registrant is not the owner of the trade name.
- 31 c. That the registration was granted improperly.

- 1 d. That the registration was obtained fraudulently.
- 2 e. That the trade name registered is so similar to a trade name registered by
- 3 another person as to be likely to cause confusion or mistake or to deceive.
- 4 3. Any registration a district court orders canceled on any grounds.
- 5 4. Any trade name when the registrant is a corporation, limited liability company, limited
- 6 partnership, limited liability partnership, or limited liability limited partnership that has
- 7 ceased to exist for six months.

8 **SECTION 25. AMENDMENT.** Subsection 1 of section 50-22-04 of the North Dakota
9 Century Code is amended and reenacted as follows:

- 10 1. Every charitable organization that is required to file or that files a registration
- 11 statement pursuant to section 50-22-02 shall file an annual report. The annual report
- 12 must be delivered to the secretary of state, along with a ten dollar fee ~~with the~~
- 13 ~~secretary of state,~~ on or before September first of each year. ~~The report must be~~
- 14 ~~postmarked by the United States postal service or other carrier, in a properly~~
- 15 ~~addressed, postage prepaid, sealed envelope.~~

16 The secretary of state may extend the filing date for the annual report of any

17 charitable organization, if a written application for extension is received before the

18 filing deadline an extension may be granted for a single year, or permanently at the

19 request of the charitable organization. A charitable organization with a fiscal year

20 ending within three months prior to the filing deadline may make a written request for

21 an extension to apply to reports for subsequent years until the fiscal year is changed.

22 A filing date may not be extended under this subsection beyond December first of any

23 given year an annual report is due.

24 Information submitted must be given as of the close of the business on the

25 thirty-first day of December next preceding the date herein provided for the filing of the

26 report, or, in the alternative, the date of the end of the fiscal year next preceding this

27 report may be used.