

Sec. 28. REPEALER.

Minnesota Statutes 1998, sections 60A.15; 60A.152; 60A.198, subdivision 6; 60A.199, subdivisions 2, 3, 4, 5, 6, 6a, 7, 8, 9, 10, and 11; 60A.209, subdivisions 4 and 5; 69.54; 69.55; 69.56; 69.57; 69.58; 69.59; 69.60; 69.61; 71A.04, subdivision 2; 299F.21; 299F.22; 299F.23; 299F.24; 299F.25; and 299F.26; and Minnesota Rules, part 2765.1500, subpart 6, are repealed.

Sec. 29. EFFECTIVE DATE.

This article is effective January 1, 2001.

Presented to the governor April 11, 2000

Signed by the governor April 14, 2000, 2:11 p.m.

CHAPTER 395—S.F.No. 2783

An act relating to state government; defining a term for the purposes of chapter 16A; regulating fees of the secretary of state; regulating the filing of annual registrations by corporations and other business entities with the secretary of state; providing for technical amendments to provisions regarding digital signatures; allowing the extension of duration of certain nonprofit corporations; amending Minnesota Statutes 1998, sections 5.12, subdivision 1; 5.14; 16A.011, by adding a subdivision; 302A.821; 303.14, subdivision 1; 303.21, subdivision 3; 317A.801, subdivision 1; 317A.823; 317A.827; 318.02, by adding a subdivision; 322B.960; 323A.10-03; 325K.07, subdivision 3; 325K.10, subdivisions 1 and 2; 325K.18, subdivision 3; 325K.19; and 325K.23; Minnesota Statutes 1999 Supplement, sections 325K.05, subdivision 1; and 336.9-411; proposing coding for new law in Minnesota Statutes, chapters 5; and 308A; repealing Minnesota Statutes 1998, sections 303.07, subdivision 2; 303.14, subdivisions 3, 4, and 5; and 322B.960, subdivision 3.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1998, section 5.12, subdivision 1, is amended to read:

Subdivision 1. **FEES.** The secretary of state shall charge a fee of \$5 for each certificate or certification of a copy of any document filed in the office of the secretary of state. The secretary of state shall charge a fee of \$3 for a copy of an original filing of a corporation, limited partnership, trade or service mark, or for the complete record of a certificate of assumed name. The secretary of state shall charge a fee of \$3 for a copy of any or all subsequent filings of a corporation, limited partnership, or trade or service mark. The secretary of state shall charge a fee of \$1 per page for copies of other nonuniform commercial code documents filed with the secretary of state. At the time of filing, the secretary of state may provide at the public counter, without charge, a copy of a filing, ten or fewer pages in length, to the person making the filing.

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Sec. 2. Minnesota Statutes 1998, section 5.14, is amended to read:

5.14 TRANSACTION SURCHARGE.

The secretary of state may impose a surcharge of \$20 on each transaction involving ~~over-the-counter~~ expedited service that ~~takes place at~~ is provided by the office of the secretary of state.

Sec. 3. [5.29] BULK AGENT NAME AND ADDRESS CHANGES.

The filing fee charged for filing an amendment is charged for each document filed when a registered agent changes its name or office address pursuant to sections 302A.123, subdivision 3, 303.10, 308A.025, subdivision 5, 317A.123, subdivision 3, 318.02, and 322B.135, subdivision 3, and chapters 322A, 323, and 323A, but the cumulative fee shall not exceed \$10,000 for entities governed by the provisions of chapters 302A, 303, 308A, 317A, 318, 322A, 322B, 323, and 323A.

Sec. 4. Minnesota Statutes 1998, section 16A.011, is amended by adding a subdivision to read:

Subd. 12a. EXECUTIVE BRANCH STATE AGENCY. "Executive branch state agency" means an agency in the executive branch of state government, but does not include constitutional officers.

Sec. 5. Minnesota Statutes 1998, section 302A.821, is amended to read:

302A.821 MINNESOTA CORPORATE REGISTRATION.

Subdivision 1. INFORMATION REQUIRED ANNUAL REGISTRATION FORM. Each calendar year beginning in the calendar year following the calendar year in which a corporation incorporates, the secretary of state must mail by first class mail an annual registration form to the registered office of each corporation as shown on the records of the secretary of state. The form must include the following notice:

"NOTICE: Failure to file this form by December 31 of this year will result in this corporation losing its good standing without further notice from the secretary of state."

Subd. 2. INFORMATION REQUIRED. A domestic corporation shall once each calendar year file with the secretary of state a registration by December 31 each calendar year containing:

- (a) the name of the corporation;
- (b) the address of its principal executive office, if different from the registered office address;
- (c) the address of its registered office and the name of the registered agent, if any;
- (d) the state of incorporation; and
- (e) the name and business address of the officer or other person exercising the principal functions of the chief executive officer of the corporation.

Subd. 2 3. INFORMATION PUBLIC. The information required by subdivision 1 2 is public data. Chapter 13 does not apply to this information.

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Subd. 3. **LOSS OF GOOD STANDING.** A corporation that fails to file a registration pursuant to the requirements of subdivision 1 loses its good standing in this state. The corporation may regain its good standing in this state by filing a single annual registration and paying a \$25 fee.

Subd. 4. **NOTICE OF REPEATED VIOLATION.** If a corporation fails for three consecutive years to file a registration pursuant to the requirements of subdivision 1, the secretary of state shall give notice by first class mail to the corporation at its registered office that it has violated this section and is subject to dissolution by the office of the secretary of state if the delinquent registration is not filed pursuant to subdivision 1 and the \$25 fee paid within 60 days after the mailing of the notice. For purposes of this subdivision, "delinquent registration" means a single annual registration.

Subd. 5 4. **PENALTY.** (a) A corporation that has failed for three consecutive years to file a registration pursuant to the requirements of subdivision 1 2, has been notified of the failure pursuant to subdivision 4, and has failed to file the delinquent registration during the 60-day period described in subdivision 4, shall must be dissolved by the secretary of state as described in paragraph (b).

(b) Immediately after the expiration of the 60-day period described in paragraph (a), if the corporation has not filed the delinquent registration, the secretary of state shall issue a certificate of involuntary dissolution, and a copy of the certificate shall be filed in the office of the secretary of state. The original certificate shall be sent to the registered office of the corporation. for three consecutive calendar years, the secretary of state shall send by forwardable United States mail to the registered office of the corporation a postcard notifying the corporation that the corporation will be dissolved if no registration is filed with a \$25 fee pursuant to this section by the beginning of the following calendar year. The secretary of state shall annually inform the attorney general and the commissioner of revenue of the methods by which the names of corporations dissolved under this section during the preceding year may be determined. The secretary of state must also make available in an electronic format the names of the dissolved corporations. A corporation dissolved in this manner is not entitled to the benefits of section 302A.781. The liability, if any, of the shareholders of a corporation dissolved in this manner shall be determined and limited in accordance with section 302A.557, except that the shareholders shall have no liability to any director of the corporation under section 302A.559, subdivision 2.

Subd. 6. **REINSTATEMENT.** A corporation may, within one year of the date of the statutory dissolution, retroactively reinstate its corporate existence by filing a single annual registration and paying a \$25 fee. Filing the annual registration with the secretary of state:

(1) returns the corporation to active status as of the date of the statutory dissolution;

(2) validates contracts or other acts within the authority of the articles, and the corporation is liable for those contracts or acts; and

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(3) restores to the corporation all assets and rights of the corporation and its shareholders to the extent they were held by the corporation and its shareholders before the statutory dissolution occurred, except to the extent that assets or rights were affected by acts occurring after the dissolution or sold or otherwise distributed after that time.

Sec. 6. Minnesota Statutes 1998, section 303.14, subdivision 1, is amended to read:

Subdivision 1. **FILED WITH SECRETARY OF STATE; CONTENTS.** Between January 15 and May 15, in each calendar year, every foreign corporation which holds a certificate of authority shall make and file with the secretary of state a report for the previous calendar year, setting forth:

(1) the name of the corporation and the state or country under the laws of which it is organized;

(2) if the name of the corporation does not end with the word "Corporation" or the word "Incorporated," or the abbreviation "Inc.," or does not contain the word "Company" or the abbreviation "Co." not immediately preceded by the word "and" or the character "&," then the name of the corporation with the word or abbreviation which it has agreed to add thereto for use in this state;

(3) the address of its registered office in this state and the name of its registered agent at such address;

(4) additional information necessary or appropriate to enable the secretary of state to determine the additional license fee, if any, payable by the corporation;

(5) a statement of the corporate taxable net income as stated in its appropriate Minnesota income tax return that was due in the previous year; and

(6) the fee required by section 303.07, subdivision 2. This fee shall be submitted with the annual report. Each calendar year beginning in the calendar year following the calendar year in which a corporation receives a certificate of authority to do business in Minnesota, the secretary of state must mail by first class mail an annual registration form to the registered office of each corporation as shown on the records of the secretary of state. The form must include the following notice:

"NOTICE: Failure to file this form by December 31 of this year will result in the revocation of the authority of this corporation to transact business in Minnesota without further notice from the secretary of state, pursuant to Minnesota Statutes, section 303.17."

The corporation will submit a \$115 fee with the annual registration and will set forth on the form:

(1) the name of the corporation, and, if the corporation has designated an alternate name pursuant to section 303.05, subdivision 1, that alternate name;

(2) the name of the registered agent of the corporation in Minnesota;

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(3) the address of its registered office;

(4) the state of incorporation; and

(5) the name and business address of the officer or other person exercising the principal functions of the chief executive officer of the corporation.

Sec. 7. Minnesota Statutes 1998, section 303.21, subdivision 3, is amended to read:

Subd. 3. **OTHER INSTRUMENTS.** A fee of \$50 shall be paid to the secretary of state for filing any instrument, other than the annual report required by section 303.14, required or permitted to be filed under the provisions of this chapter. ~~For filing the annual report a fee of \$20 must be paid to the secretary of state.~~ The fees shall be paid at the time of the filing of the instrument.

Sec. 8. [308A.995] PERIODIC REGISTRATION.

Subdivision 1. PERIODIC REGISTRATION IN CERTAIN YEARS. Each cooperative governed by this chapter must file a periodic registration with the secretary of state in each odd-numbered year. In these years, the secretary of state must mail by first class mail a registration form to the registered office of each cooperative as shown on the records of the secretary of state, or if no such address is in the records, to the location of the principal place of business shown on the records of the secretary of state. The form must include the following notice:

“NOTICE: Failure to file this form by December 31 of this year will result in the dissolution of this cooperative without further notice from the secretary of state, pursuant to Minnesota Statutes, section 308A.995, subdivision 4, paragraph (b).”

Subd. 2. MINNESOTA COOPERATIVE REGISTRATION FORM. In each calendar year in which a registration is to be filed, a cooperative must file with the secretary of state a registration by December 31 of that calendar year containing:

(1) the name of the cooperative;

(2) the address of its registered office;

(3) the address of its principal place of business, if different from the registered office address; and

(4) the name and business address of the officer or other person exercising the principal functions of the chief executive officer of the cooperative.

Subd. 3. INFORMATION PUBLIC. The information required by subdivision 1 is public data.

Subd. 4. PENALTY; DISSOLUTION. (a) A cooperative that has failed to file a registration pursuant to the requirements of this section by December 31 of the calendar year for which the registration was required must be dissolved by the secretary of state as described in paragraph (b).

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(b) If the cooperative has not filed the registration by December 31 of that calendar year, the secretary of state must issue a certificate of involuntary dissolution, and the certificate must be filed in the office of the secretary of state. The secretary of state must annually inform the attorney general and the commissioner of revenue of the methods by which the names of cooperatives dissolved under this section during the preceding year may be determined. The secretary of state must also make available in an electronic format the names of the dissolved cooperatives. A cooperative dissolved in this manner is not entitled to the benefits of section 308A.981.

Subd. 5. REINSTATEMENT. A cooperative may, within one year of the date of dissolution under this section, retroactively reinstate its existence by filing a single annual registration and paying a \$25 fee. Filing the annual registration with the secretary of state:

- (1) returns the cooperative to active status as of the date of the dissolution;
- (2) validates contracts or other acts within the authority of the articles, and the cooperative is liable for those contracts or acts; and
- (3) restores to the cooperative all assets and rights of the cooperative and its shareholders or members to the extent they were held by the cooperative and its shareholders or members before the dissolution occurred, except to the extent that assets or rights were affected by acts occurring after the dissolution or sold or otherwise distributed after that time.

Sec. 9. Minnesota Statutes 1998, section 317A.801, subdivision 1, is amended to read:

Subdivision 1. **EXTENSION BY AMENDMENT.** A corporation whose period of duration provided in the articles has expired and that has continued to operate despite that expiration may reinstate its articles and extend the period of corporate duration, including making the duration perpetual, after the date of expiration by filing an amendment to the articles as set forth in this section. This section also applies to corporations that may have been formed under prior laws governing nonprofit corporations and that expired before chapter 317 was repealed on January 1, 1990.

Sec. 10. Minnesota Statutes 1998, section 317A.823, is amended to read:

317A.823 ANNUAL CORPORATE REGISTRATION.

Subdivision 1. **NOTICE FROM SECRETARY OF STATE; ANNUAL REGISTRATION REQUIRED.** (a) Except for corporations to which paragraph (c) applies, before July 1 of each calendar year beginning in the calendar year following the calendar year in which a corporation incorporates, the secretary of state shall mail a corporate registration form to each corporation that incorporated or filed a corporate registration during either of the previous two calendar years at its last registered office address listed on the records of the secretary of state. The form must include the exact legal corporate name and registered office address currently on file with the secretary of state along with the name of the person who performs the functions of the president. The secretary of state may also give notice of the requirement to file the annual

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registration by any other means the secretary of state considers appropriate. must mail by first class mail an annual registration form to the registered office of each corporation as shown on the records of the secretary of state. The form must include the following notice:

"NOTICE: Failure to file this form by December 31 of this year will result in the dissolution of this corporation without further notice from the secretary of state, pursuant to Minnesota Statutes, section 317A.823, subdivision 2, paragraph (b)."

(b) A corporation shall file a corporate registration with the secretary of state once each calendar year. If the corporation has changed its registered office address to an address other than that listed on the records of the secretary of state, the corporation shall file the new registered office address on the registration form. If the registration shows a change of registered office address, the registration must be signed by an authorized person. A fee of \$35 must be paid for filing the registered office address change. The new address must comply with section 317A.011, subdivision 2, and must have been approved by the board. A nonprofit corporation must file with the secretary of state a registration by December 31 of each calendar year containing:

- (1) the name of the corporation;
- (2) the address of its registered office;
- (3) the name of its registered agent, if any; and

(4) the name and business address of the officer or other person exercising the principal functions of president of the corporation.

(c) The timely filing of an annual financial report and audit or an annual financial statement under section 69.051, subdivision 1 or 1a, by a volunteer firefighter relief association, as reflected in the notification by the state auditor under section 69.051, subdivision 1c, constitutes presentation of the corporate registration. The secretary of state may reject the registration by the volunteer firefighter relief association. Rejection must occur if the information provided to the state auditor does not match the information in the records of the secretary of state. The volunteer firefighter relief association may amend the articles of incorporation as provided in sections 317A.131 to 317A.151 so that the information from the state auditor may be accepted for filing. The timely filing of an annual financial report and audit or an annual financial statement under section 69.051, subdivision 1 or 1a, does not relieve the volunteer firefighter relief association of the requirement to file amendments to the articles of incorporation directly with the secretary of state.

Subd. 2. LOSS OF GOOD STANDING PENALTY. A corporation that files an initial corporate registration under section 317A.821 or that is incorporated on or after January 1, 1990, and that does not file a corporate registration during a calendar year loses its good standing after December 31 of that year. To regain its good standing, the corporation must file a single annual corporate registration and pay a \$25 fee.

Subd. 3. NOTICE; DISSOLUTION. If a corporation fails to file a report required under this section for three consecutive calendar years, the secretary of state

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shall give notice to the corporation by first-class mail at its registered office and by any other means of notice that the secretary of state considers appropriate, that it has violated this section and is subject to dissolution under section 317A.827 if the delinquent registration is not filed with a \$25 fee within 60 days after the mailing of the notice or the date of the alternative notice. For purposes of this subdivision, "delinquent registration" means a single registration. A corporation that fails to file the delinquent annual registration within the 60 days is dissolved under section 317A.827 (a) A corporation that has failed to file a registration pursuant to the requirements of subdivision 1 must be dissolved by the secretary of state as described in paragraph (b).

(b) If the corporation has not filed the delinquent registration, the secretary of state must issue a certificate of involuntary dissolution, and the certificate must be filed in the office of the secretary of state. The secretary of state must annually inform the attorney general and the commissioner of revenue of the methods by which the names of corporations dissolved under this section during the preceding year may be determined. The secretary of state must also make available in an electronic format the names of the dissolved corporations. A corporation dissolved in this manner is not entitled to the benefits of section 317A.781.

Sec. 11. Minnesota Statutes 1998, section 317A.827, is amended to read:

317A.827 ADMINISTRATIVE DISSOLUTION CONTINUATION FOR CERTAIN PURPOSES; REINSTATEMENT.

Subdivision 1. **PROCEDURE.** If a corporation fails to file the initial registration by December 31, 1997, or if it fails to file the delinquent registration before expiration of the 60-day period in section 317A.823, subdivision 3, the secretary of state shall immediately issue a certificate of involuntary dissolution. The secretary of state shall send the original certificate to the registered office of the corporation and file a copy in the office of the secretary of state. The secretary of state shall annually inform the attorney general of the methods by which the names of corporations dissolved under this section during the previous year may be determined. A corporation dissolved under this section is not entitled to the benefits of section 317A.781, subdivision 1.

Subd. 2. **ATTORNEY GENERAL POWERS CONTINUED.** A corporation dissolved under this section 317A.823 continues for three years after the dissolution date for the sole purpose of supervision, investigation, and other actions by the attorney general under sections 8.31 and 501B.40 and 501B.41.

Subd. 3 2. **REINSTATEMENT.** A corporation dissolved under section 317A.823 may, within one year of the date of the statutory dissolution, retroactively reinstate its corporate existence by filing a single annual registration and paying a \$25 fee. Filing the annual registration with the secretary of state:

(1) returns the corporation to active status as of the date of the statutory dissolution;

(2) validates contracts or other acts within the authority of the articles, and the corporation is liable for those contracts or acts; and

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(3) restores to the corporation all assets and rights of the corporation and its members to the extent they were held by the corporation and its members before the statutory dissolution occurred, except to the extent that assets or rights were affected by acts occurring after the dissolution or sold or otherwise distributed after that time.

Sec. 12. Minnesota Statutes 1998, section 318.02, is amended by adding a subdivision to read:

Subd. 6. NON-MINNESOTA TRUSTS. An association organized under the laws of another state may register by using the process described in subdivision 1. The registration must be accompanied by a certificate from a state authenticating the prior registration of the association in that state. The Minnesota registration does not create a new association and the association continues to be governed by the laws of the state of prior registration with respect to internal governance. Amendments to a declaration of trust will also follow the process described in subdivision 1. The fees stated in subdivision 1 apply to these transactions.

Sec. 13. Minnesota Statutes 1998, section 322B.960, is amended to read:

322B.960 BIENNIAL ANNUAL REGISTRATION.

Subdivision 1. INFORMATION REQUIRED ANNUAL REGISTRATION FORM. Starting January 1, 1995, a limited liability company, whether domestic or foreign, shall once every other year file with the secretary of state a registration containing:

- (a) the name of the limited liability company;
- (b) the alternate name, if any, a foreign limited liability company has adopted for use in this state;
- (c) the address of its registered office;
- (d) the name of its registered agent, if any;
- (e) the jurisdiction of organization; and
- (f) the name and business address of the manager or other person exercising the principal functions of the chief manager of the limited liability company. Each calendar year beginning in the calendar year following the calendar year in which a limited liability company files articles of organization, the secretary of state must mail by first class mail an annual registration form to the registered office of each limited liability company as shown on the records of the secretary of state. The form must include the following notice:

"NOTICE: Failure to file this form by December 31 of this year will result in the dissolution of this limited liability company without further notice from the secretary of state, pursuant to Minnesota Statutes, section 322B.960."

Subd. 2. DUE DATE FOR FILING INFORMATION REQUIRED. A registration is due two years from: (1) the date the limited liability company is formed or registered with the secretary of state; or (2) the date of the last registration. The

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biennial registration will be due on or before the anniversary date of formation or registration in Minnesota. The secretary of state shall mail a registration form to each limited liability company no less than 90 days before the registration is due. The registration form must be sent to the last registered office address filed with the secretary of state. A domestic or foreign limited liability company must file with the secretary of state a registration by December 31 each calendar year beginning in the calendar year following the calendar year in which the limited liability company formed containing:

(1) the name of the limited liability company or the name under which a foreign limited liability company has registered in this state;

(2) the address of its principal executive office, if different from the registered address;

(3) the address of its registered office;

(4) the name of its registered agent, if any;

(5) the state or jurisdiction of organization; and

(6) the name and business address of the manager or other person exercising the principal functions of the chief manager of the limited liability company.

Subd. 3. **AMENDMENTS ON REGISTRATION FORM.** A domestic limited liability company which needs to amend its name, registered office address, or registered agent may make these amendments on the biennial annual registration form. If an amendment is made on the biennial annual registration form, it must be signed by an authorized person. The fee listed in section 322B.175 applies to these amendments.

Subd. 4. **LOSS OF GOOD STANDING.** A limited liability company that fails to file a registration pursuant to the requirements of subdivision 1 loses its good standing in this state. The limited liability company may regain its good standing in this state by filing a single annual registration and paying a \$50 fee.

Subd. 5. **ADMINISTRATIVE TERMINATION PENALTY.** (a) If a domestic limited liability company that has not filed a registration during a reporting period pursuant to the requirements of subdivision 3, the secretary of state shall notify the limited liability company that it will be is administratively terminated if the biennial registration is not filed by the due date of the next registration. This notice must be sent to the limited liability company at its registered office address of record as part of the registration form. If the limited liability company does not file the biennial registration by the due date, the secretary of state shall administratively terminate the existence of the limited liability company. The secretary of state shall issue a certificate of administrative termination which shall must be sent to the limited liability company at its registered office address filed in the office of the secretary of state. A copy of the certificate must be filed with the secretary of state. The secretary of state must also make available in an electronic format the names of the terminated limited liability companies.

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(b) ~~If~~ A non-Minnesota limited liability company that has not filed a registration during a reporting period pursuant to the requirements of subdivision 3, the secretary of state shall notify the limited liability company that shall have its authority to do business in Minnesota will be revoked if the biennial registration is not filed by the due date of the next registration. This notice must be sent to the limited liability company at its registered office address of record as part of the registration form. If the limited liability company does not file the biennial registration by the due date, the secretary of state shall revoke the authority of the limited liability company to do business in Minnesota. The secretary of state shall must issue a certificate of revocation which shall must be sent to the limited liability company at its registered office address filed in the office of the secretary of state. A copy of the certificate must be filed with the secretary of state. The secretary of state must also make available in an electronic format the names of the revoked non-Minnesota limited liability companies.

Subd. 6 5. **REINSTATEMENT.** If a limited liability company is administratively terminated or has its authority to do business in Minnesota revoked, it may retroactively reinstate its existence or authority to do business by filing a single ~~biennial~~ annual registration and paying a \$50 \$25 fee but only within one year of the date of the termination or revocation.

(a) For a domestic limited liability company, filing the ~~biennial~~ annual registration with the secretary of state:

(1) returns the limited liability company to active status as of the date of the administrative termination;

(2) validates contracts or other acts within the authority of the articles, and the limited liability company is liable for those contracts or acts; and

(3) restores to the limited liability company all assets and rights of the limited liability company and its members to the extent they were held by the limited liability company and its members before the administrative termination occurred, except to the extent that assets or rights were affected by acts occurring after the termination, sold, or otherwise distributed after that time.

(b) For a non-Minnesota limited liability company, filing the ~~biennial~~ annual registration restores the limited liability company's ability to do business in Minnesota and the rights and privileges which accompany that authority.

Sec. 14. Minnesota Statutes 1998, section 323A.10-03, is amended to read:

323A.10-03 ANNUAL REGISTRATION.

(a) Each calendar year beginning in the calendar year following the calendar year in which a partnership files a statement of qualification or in which a foreign partnership becomes authorized to transact business in this state, the secretary of state must mail by first class mail an annual registration form to the street address of the partnership's chief executive office, if located in Minnesota, the office in this state, if the chief executive office is not located in Minnesota, or address of the registered agent of the partnership as shown on the records of the secretary of state when the chief

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executive office is not located in Minnesota and no other Minnesota office exists. The form must include the following notice:

“NOTICE: Failure to file this form by December 31 of this year will result in the revocation of the statement of qualification of this limited liability partnership without further notice from the secretary of state pursuant to Minnesota Statutes, section 323A.10-03, subsection (d).”

(b) A limited liability partnership, and a foreign limited liability partnership authorized to transact business in this state, shall file an annual registration in the office of the secretary of state which contains:

(1) the name of the limited liability partnership and the state or other jurisdiction under whose laws the foreign limited liability partnership is formed;

(2) the street address, including the zip code, of the partnership's chief executive office and, if different, the street address, including the zip code, of an office of the partnership in this state, if any; and

(3) if the partnership does not have an office in this state, the name and street address, including the zip code, of the partnership's current agent for service of process.

(b) (c) An annual registration must be filed once each calendar year beginning in the year following the calendar year in which a partnership files a statement of qualification or a foreign partnership becomes authorized to transact business in this state.

(e) (d) ~~The secretary of state will~~ must revoke the statement of qualification of a partnership that fails to file an annual registration when due or pay the required filing fee. ~~To do so, the secretary of state shall provide the partnership 60 days' written notice of intent to revoke the statement. The notice must be mailed to the partnership at its chief executive office set forth in the last filed statement of qualification or annual registration. The notice must specify the annual registration that has not been filed, the fee that has not been paid, and the effective date of the revocation. The revocation is not effective if the annual registration is filed and the fee is paid before the effective date of the revocation. The secretary of state must issue a certificate of revocation which must be filed in the office of the secretary of state. The secretary of state must also make available in an electronic format the names of the revoked limited liability companies.~~

(d) (e) A revocation under subsection (e) (d) only affects a partnership's status as a limited liability partnership and is not an event of dissolution of the partnership.

(e) (f) A partnership whose statement of qualification has been revoked may apply to the secretary of state for reinstatement within one year after the effective date of the revocation. A partnership must file an annual registration to apply for reinstatement and pay a reinstatement fee of \$135.

(f) (g) A reinstatement under subsection (e) (f) relates back to and takes effect as of the effective date of the revocation, and the partnership's status as a limited liability

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partnership continues as if the revocation had never occurred.

Sec. 15. Minnesota Statutes 1999 Supplement, section 325K.05, subdivision 1, is amended to read:

Subdivision 1. **LICENSE CONDITIONS.** To obtain or retain a license, a certification authority must:

(1) be the subscriber of a certificate issued by the secretary and published in a recognized repository;

(2) employ as operative personnel only persons who have not been convicted within the past 15 years of a felony or a crime involving fraud, false statement, or deception;

(3) employ as operative personnel only persons who have demonstrated knowledge and proficiency in following the requirements of this chapter;

(4) file with the secretary a suitable guaranty, unless the certification authority is a department, office, or official of a federal, state, city, or county governmental entity that is self-insured;

(5) use a trustworthy system, including a secure means for limiting access to its private key;

(6) present proof to the secretary of having working capital reasonably sufficient, according to rules adopted by the secretary, to enable the applicant to conduct business as a certification authority;

(7) register its business organization with the secretary, unless the applicant is a governmental entity or is otherwise prohibited from registering;

(8) require a potential subscriber to appear in person before the certification authority, or an agent of the certification authority, to prove the subscriber's identity before a certificate is issued to the subscriber; and

(9) comply with all further licensing requirements established by rule by the secretary.

The secretary may, by rule, establish standards by which the in-person registration required in clause (8) may be waived.

Sec. 16. Minnesota Statutes 1998, section 325K.07, subdivision 3, is amended to read:

Subd. 3. **CIVIL PENALTY.** The secretary may by order impose and collect a civil monetary penalty against a licensed certification authority for a violation of this chapter in an amount not to exceed \$5,000 per incident, ~~or 90 percent of the recommended reliance limit of a material certificate, whichever is less.~~ In case of a violation continuing for more than one day, each day is considered a separate incident. The secretary may adopt rules setting the standards governing the determination of the penalty amounts.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 17. Minnesota Statutes 1998, section 325K.10, subdivision 1, is amended to read:

Subdivision 1. **CONDITIONS.** A licensed certification authority may issue a certificate to a subscriber only after all of the following conditions are satisfied:

(1) the certification authority has received a request for issuance signed by the prospective subscriber; and

(2) the prospective subscriber or the prospective subscriber's duly authorized agent must appear before the licensed certification authority to present the request; and

(3) the certification authority has confirmed that:

(i) the prospective subscriber is the person to be listed in the certificate to be issued;

(ii) if the prospective subscriber is acting through one or more agents, the subscriber duly authorized each agent to have custody of the subscriber's private key and to request issuance of a certificate listing the corresponding public key;

(iii) the information in the certificate to be issued is accurate;

(iv) the prospective subscriber rightfully holds the private key corresponding to the public key to be listed in the certificate;

(v) the prospective subscriber holds a private key capable of creating a digital signature;

(vi) the public key to be listed in the certificate can be used to verify a digital signature affixed by the private key held by the prospective subscriber; and

(vii) the certificate provides information sufficient to locate or identify one or more repositories in which notification of the revocation or suspension of the certificate will be listed if the certificate is suspended or revoked.

The requirements of this subdivision may not be waived or disclaimed by either the licensed certification authority, the subscriber, or both.

Sec. 18. Minnesota Statutes 1998, section 325K.10, subdivision 2, is amended to read:

Subd. 2. **PUBLICATION.** If the subscriber accepts the issued certificate, the licensed certification authority shall publish a signed copy of the certificate in a recognized repository, as the certification authority and the subscriber named in the certificate may agree, unless a contract between the certification authority and the subscriber provides otherwise. If the subscriber does not accept the certificate, a licensed certification authority shall not publish it, or shall cancel its publication if the certificate has already been published.

Sec. 19. Minnesota Statutes 1998, section 325K.18, subdivision 3, is amended to read:

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Subd. 3. **QUALIFIED RIGHT TO PAYMENT.** (a) To recover a qualified right to payment against a surety or issuer of a suitable guaranty, the claimant must:

(1) file written notice of the claim with the ~~secretary~~ issuer of the suitable guarantee stating the name and address of the claimant, the amount claimed, and the grounds for the qualified right to payment; and ~~any other information required by rule by the secretary;~~ and

(2) append to the notice a certified copy of the judgment on which the qualified right to payment is based.

(b) Recovery of a qualified right to payment from the proceeds of the suitable guaranty is barred unless the claimant substantially complies with this subdivision.

Sec. 20. Minnesota Statutes 1998, section 325K.19, is amended to read:

325K.19 SATISFACTION OF SIGNATURE REQUIREMENTS.

(a) Where a rule of law requires a signature, or provides for certain consequences in the absence of a signature, that rule is satisfied by a digital signature, if:

(1)(i) the digital signature is that of a public or local official as defined in section 10A.01, subdivisions 22 and 35, on government records described in section 15.17; or

(ii) no party affected by a digital signature objects to the use of digital signatures in lieu of a signature, and the objection may be evidenced by refusal to provide or accept a digital signature;

(2) that digital signature is verified by reference to the public key listed in a valid certificate issued by a licensed certification authority;

(3) that digital signature was affixed by the signer with the intention of signing the message and after the signer has had an opportunity to review items being signed; and

(4) the recipient has no knowledge or notice that the signer either:

(i) breached a duty as a subscriber; or

(ii) does not rightfully hold the private key used to affix the digital signature.

(b) However, nothing in this chapter precludes a mark from being valid as a signature under other applicable law.

Sec. 21. Minnesota Statutes 1998, section 325K.23, is amended to read:

325K.23 ~~CERTIFICATE AS ACKNOWLEDGMENT~~ ACKNOWLEDGMENTS.

Subdivision 1. CERTIFICATES. Unless otherwise provided by law or contract, a certificate issued by a licensed certification authority is satisfies the requirement for an acknowledgment pursuant to section 358.41 of a digital signature verified by reference to the public key listed in the certificate, regardless of whether words of an express acknowledgment appear with the digital signature and regardless of whether the signer physically appeared before the certification authority when the digital signature was created, if that digital signature is:

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- (1) verifiable by that certificate; and
- (2) affixed when that certificate was valid.

Subd. 2. DIGITAL SIGNATURES. If the digital signature is used as an acknowledgment, then the certification authority is responsible to the same extent as a notary up to any limit on liability stated in the certification authority's certification practice statement for failure to satisfy the requirements for an acknowledgment. The certification authority may not disclaim or limit, other than as provided in section 325K.17, the effect of this section.

Sec. 22. Minnesota Statutes 1999 Supplement, section 336.9-411, is amended to read:

336.9-411 COMPUTERIZED FILING SYSTEM.

(a) The secretary of state shall develop and implement a statewide computerized filing system to accumulate and disseminate information relative to lien statements, financing statements, state and federal tax lien notices, and other Uniform Commercial Code documents. The computerized filing system must allow information to be entered and retrieved from the computerized filing system by county recorders, the department of revenue, the department of economic security, and the Internal Revenue Service.

(b) County recorders shall enter information relative to lien statements, financing statements, state and federal tax lien notices, and other Uniform Commercial Code documents filed in their offices into a central database maintained by the secretary of state. The information must be entered under the rules of the secretary of state. This requirement does not apply to tax lien notices filed under sections 268.058, subdivision 1, paragraph (b), clause (2); 270.69, subdivision 2, paragraph (b), clause (2); and 272.488, subdivision 1, but does apply to entry of the date and time of receipt and county recorder's file number of those notices.

(c) The secretary of state may allow private parties to have electronic access to the computerized filing system and to other computerized records maintained by the secretary of state on a fee basis, except that visual access to electronic display terminals at the public counters at the secretary of state's office will be without charge and available during public counter hours, and access by law enforcement personnel, acting in an official capacity, will be without charge. If the computerized filing system allows a form of electronic access to information regarding the obligations of debtors, the access must be available 24 hours a day, every day of the year.

Notwithstanding section 13.49, private parties who have electronic access to computerized records may view the social security number information about a debtor that is of record.

(d) The secretary of state shall adopt rules to implement the computerized filing system. The rules must:

- (1) allow filings to be made at the offices of all county recorders and the secretary of state's office as required by section 336.9-401;

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(2) establish a central database for all information relating to liens and security interests that are filed at the offices of county recorders and the secretary of state;

(3) provide procedures for entering data into a central database;

(4) allow the offices of all county recorders and the secretary of state's office to add, modify, and delete information in the central database as required by the Uniform Commercial Code;

(5) allow the offices of all county recorders and the secretary of state's office to have access to the central database for review and search capabilities;

(6) allow the offices of all county recorders to have electronic access to the computerized business information records on file with the secretary of state;

(7) require the secretary of state to maintain the central database;

(8) provide security and protection of all information in the central database and monitor the central database to ensure that unauthorized entry is not allowed;

(9) require standardized information for entry into the central database;

(10) prescribe an identification procedure for debtors and secured parties that will enhance lien and financing statement searches; and

(11) prescribe a procedure for phasing-in or converting from the existing filing system to a computerized filing system.

(e) The secretary of state, county recorders, and their employees and agents shall not be liable for any loss or damages arising from errors in or omissions from information entered into the computerized filing system as a result of the electronic transmission of tax lien notices under sections 268.058, subdivision 1, paragraph (b), clause (2); 270.69, subdivision 2, paragraph (b), clause (2); 272.483; and 272.488, subdivisions 1 and 3.

Sec. 23. **REPEALER.**

Minnesota Statutes 1998, sections 303.07, subdivision 2; 303.14, subdivisions 3, 4, and 5; and 322B.960, subdivision 3, are repealed.

Sec. 24. **EFFECTIVE DATE.**

Sections 5, 6, 7, 10, 11, 13, and 14 are effective January 1, 2001.

Presented to the governor April 11, 2000

Signed by the governor April 14, 2000, 2:54 p.m.

CHAPTER 396—S.F.No. 2968

An act relating to lake improvement districts; modifying provisions relating to lake improvement districts; amending Minnesota Statutes 1998, sections 103B.535; 103B.545,

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