

SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION

S.F. No. 4177

(SENATE AUTHORS: HEMMINGSEN-JAEGER)

DATE	D-PG	OFFICIAL STATUS
03/05/2026	6519	Introduction and first reading Referred to Commerce and Consumer Protection
03/17/2026	6756	Withdrawn and re-referred to State and Local Government
04/07/2026	7669a 7904	Comm report: To pass as amended Second reading See HF4591

1.1 A bill for an act

1.2 relating to business organizations; modernizing and correcting provisions governing

1.3 business services; changing positions appointed by the secretary of state; reducing

1.4 printing requirements for the legislative manual; amending Minnesota Statutes

1.5 2024, sections 5.02; 5.08; 5.23, subdivision 1; 268.058, subdivision 1.

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

1.7 Section 1. Minnesota Statutes 2024, section 5.02, is amended to read:

1.8 **5.02 ASSISTANTS.**

1.9 The secretary of state shall appoint ~~an assistant~~ a deputy secretary of state, who shall

1.10 perform all the duties of the office when the secretary is absent or disabled. The secretary

1.11 may also employ ~~a chief clerk, a recording clerk, and a stenographer,~~ and at pleasure dismiss

1.12 two additional deputies and an executive assistant who, besides the duties indicated by their

1.13 titles, shall perform such services in connection with the office as the secretary or the assistant

1.14 may require. This section does not increase the complement of the secretary of state.

1.15 Sec. 2. Minnesota Statutes 2024, section 5.08, is amended to read:

1.16 **5.08 LEGISLATIVE MANUAL.**

1.17 Subdivision 1. **Preparation.** The secretary of state shall prepare, compile, edit, and

1.18 distribute for use at each regular legislative session, a convenient manual, properly indexed,

1.19 and containing: The federal and state constitutions; the acts of Congress relating to the

1.20 organization of the territory and state; the rules of order and joint rules of the two houses,

1.21 and lists of their members, committees and employees; the names of all state officials,

1.22 whether elected or appointed, and of all persons holding office from this state under the

2.1 national government; the ~~places~~ municipalities where the said several officials reside, and  
 2.2 the annual compensation of each; and statistical and other information of the kind heretofore  
 2.3 published in the legislative manuals.

2.4 Subd. 2. **Distribution.** ~~10,000~~ 5,000 copies of the legislative manual shall be printed  
 2.5 and distributed as follows:

2.6 (1) up to ~~20~~ five copies shall be available to each member of the legislature on request;

2.7 (2) ~~50~~ 12 copies to the State Historical Society;

2.8 (3) ~~25~~ two copies to the state university;

2.9 (4) ~~60~~ 30 copies to the state library;

2.10 (5) ~~two copies~~ one copy each to the Library of Congress, the Minnesota veterans homes,  
 2.11 the universities, the high schools, academies, seminaries, and colleges of the state, and the  
 2.12 public libraries of the state;

2.13 (6) one copy each to other state institutions, the elective state officials, the appointed  
 2.14 heads of departments, the officers and employees of the legislature, the justices of the  
 2.15 supreme court, the judges of the court of appeals and the district court, the senators and  
 2.16 representatives in Congress from this state, and the county auditors, recorders, and attorneys;  
 2.17 and

2.18 (7) ~~one copy to each school, to be distributed through the superintendent of each school~~  
 2.19 ~~district, and~~

2.20 (8) the remainder may be disposed of as the secretary of state deems best.

2.21 Sec. 3. Minnesota Statutes 2024, section 5.23, subdivision 1, is amended to read:

2.22 Subdivision 1. **Failure to pay filing fee.** (a) If a person files an instrument authorized  
 2.23 to be filed with the secretary of state with a payment order or item that is rejected or  
 2.24 dishonored, the secretary of state ~~is~~ may take the actions authorized under this subdivision.

2.25 (b) The secretary of state is authorized to refuse the filing of further instruments submitted  
 2.26 by that person or on behalf of the business entity or notary on whose behalf the prior  
 2.27 instrument was filed or relating to the same assumed name or trademark filing.

2.28 (c) If a person makes a filing related to a business entity with a payment order or item  
 2.29 that is rejected or dishonored, the secretary of state is authorized to terminate the business  
 2.30 entity and change the business entity's filing status to inactive.

3.1 (d) The secretary may ~~also~~ pursue collection of the rejected or dishonored payment order  
 3.2 or item and recover the face amount of the payment order or item, any service fee, and any  
 3.3 additional collection costs incurred to collect the amount. If the payment order or item is  
 3.4 honored, or the delinquent amount is paid, the secretary of state must resume filing  
 3.5 instruments submitted by that person or on behalf of that business entity or notary or relating  
 3.6 to the same assumed name or trademark filing as of the date the payment order or item is  
 3.7 honored and an instrument is presented for filing.

3.8 (e) The secretary may impose restrictions on the manner of payment that will be accepted  
 3.9 for any future filings.

3.10 (f) This subdivision does not apply to financing statements filed under chapter 336 or  
 3.11 to an effective financing statement or lien notice filed under chapter 336A.

3.12 Sec. 4. Minnesota Statutes 2024, section 268.058, subdivision 1, is amended to read:

3.13 Subdivision 1. **Lien.** (a) Any amount due under this chapter or section 116L.20, from  
 3.14 an applicant or an employer, becomes a lien upon all the property, within this state, both  
 3.15 real and personal, of the person liable, from the date of assessment. The term "date of  
 3.16 assessment" means the date the obligation was due.

3.17 (b) The lien is not enforceable against any purchaser, mortgagee, pledgee, holder of a  
 3.18 Uniform Commercial Code security interest, mechanic's lien, or judgment lien creditor,  
 3.19 until a notice of lien has been filed with the county recorder of the county where the property  
 3.20 is situated, or in the case of personal property belonging to a nonresident person in the Office  
 3.21 of the Secretary of State. When the notice of lien is filed with the county recorder, the fee  
 3.22 for filing and indexing is as provided in sections 272.483 and 272.484.

3.23 (c) Notices of liens, lien renewals, and lien releases, in a form prescribed by the  
 3.24 commissioner, may be filed with the county recorder or the secretary of state by mail; or  
 3.25 personal delivery, ~~or by electronic transmission into the computerized filing system of the~~  
 3.26 ~~secretary of state. The secretary of state must, on any notice filed with that office, transmit~~  
 3.27 ~~the notice electronically to the appropriate county recorder. The filing officer, whether the~~  
 3.28 ~~county recorder or the secretary of state, must endorse and index a printout of the notice as~~  
 3.29 ~~if the notice had been mailed or delivered.~~

3.30 (d) County recorders and the secretary of state must enter information on lien notices,  
 3.31 renewals, and releases into the ~~central database of the secretary of state~~ respective databases  
 3.32 established for lien notices, renewals, and releases. ~~For notices filed electronically with the~~  
 3.33 ~~county recorders, the date and time of receipt of the notice and county recorder's file number,~~

4.1 ~~and for notices filed electronically with the secretary of state, the secretary of state's recording~~  
4.2 ~~information, must be entered into the central database before the close of the working day~~  
4.3 ~~following the day of the original data entry by the commissioner.~~

4.4 (e) The lien imposed on personal property, even though properly filed, is not enforceable  
4.5 against a purchaser of tangible personal property purchased at retail or personal property  
4.6 listed as exempt in sections 550.37, 550.38, and 550.39.

4.7 (f) A notice of lien filed has priority over any security interest arising under chapter 336,  
4.8 article 9, that is perfected prior in time to the lien imposed by this subdivision, but only if:

4.9 (1) the perfected security interest secures property not in existence at the time the notice  
4.10 of lien is filed; and

4.11 (2) the property comes into existence after the 45th calendar day following the day the  
4.12 notice of lien is filed, or after the secured party has actual notice or knowledge of the lien  
4.13 filing, whichever is earlier.

4.14 (g) The lien is enforceable from the time the lien arises and for ten years from the date  
4.15 of filing the notice of lien. A notice of lien may be renewed before expiration for an additional  
4.16 ten years.

4.17 (h) The lien is enforceable by levy under subdivision 2 or by judgment lien foreclosure  
4.18 under chapter 550.

4.19 (i) The lien may be imposed upon property defined as homestead property in chapter  
4.20 510 but may be enforced only upon the sale, transfer, or conveyance of the homestead  
4.21 property.

4.22 (j) The commissioner may sell and assign to a third party the commissioner's right of  
4.23 redemption in specific real property for liens filed under this subdivision. The assignee is  
4.24 limited to the same rights of redemption as the commissioner, except that in a bankruptcy  
4.25 proceeding, the assignee does not obtain the commissioner's priority. Any proceeds from  
4.26 the sale of the right of redemption are credited to the contingent account.