

CHAPTER 205—H.F.No. 1286

An act relating to the secretary of state; changing certain fees, deadlines, and procedures; providing for supplemental filing and information services; providing for removal of documents from the public record; clarifying certain language; amending Minnesota Statutes 1990, sections 5.03; 5.16, subdivision 5; 302A.821, subdivisions 3, 4, and 5; 303.07, subdivision 2; 303.08; 303.13, subdivision 1; 303.17, subdivision 1; 308A.131, subdivision 1; 308A.801, subdivision 6; 317A.821, subdivision 2; 317A.823; 317A.827, subdivision 1; and 331A.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 5.

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

Section 1. Minnesota Statutes 1990, section 5.03, is amended to read:

5.03 CLERK OF GOVERNMENT SURVEYS.

There is hereby created in the office of the secretary of state the position of clerk of government surveys and documents for the purpose of receiving and for the safekeeping of all the records and archives of the office of United States surveyor general for the state as soon as they shall be received from the commissioner of the general land office at Washington, D.C. The secretary of state shall maintain a ~~microfilmed~~ copy of government survey documents for public inspection. The original documents shall be preserved in a climate controlled environment prescribed by the secretary of state. The documents shall be maintained so that they are available for public inspection.

Sec. 2. Minnesota Statutes 1990, section 5.16, subdivision 5, is amended to read:

Subd. 5. **FEES.** The secretary of state shall collect a fee of ~~\$25~~ \$35 for filing articles of correction.

Sec. 3. **[5.23] REMOVAL OF DOCUMENTS FROM THE PUBLIC RECORD.**

Subdivision 1. FAILURE TO PAY FILING FEE. If an instrument authorized to be filed with the secretary of state has been submitted with a draft or other negotiable instrument that is returned without being honored, the secretary may remove the instrument from the public record. The secretary may also pursue collection of the dishonored draft or negotiable instrument and recover the face amount of the draft or negotiable instrument, any service fee, and any additional collection costs incurred to collect the amount. If the draft or negotiable instrument is honored, the instrument must be returned to the public record as of the date the draft or negotiable instrument is honored and the secretary may impose restrictions on the manner of payment that will be accepted for any future filings. This subdivision does not apply to financing statements filed under chapter 336.

Subd. 2. FAILURE TO PAY FEE. If a party enters into a continuing agree-

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ment with the secretary of state for the receipt of information or products containing information and payment for services or products is made by a draft or other negotiable instrument that is returned without being honored, the secretary shall immediately terminate the agreement. The secretary may also pursue collection of the dishonored draft or negotiable instrument and recover the face amount of the draft or negotiable instrument and any additional costs incurred to collect the amount. If the draft or negotiable instrument is honored, the agreement may be reinstated and the secretary may impose restrictions on the manner of payment that will be accepted during the course of the agreement.

Subd. 3. FAILURE TO PAY DIRECT ACCESS CHARGES. If a customer who has subscribed with the secretary of state for direct computer access to the secretary's data bases makes payment for information received with a draft or other negotiable instrument that is returned without being honored, the secretary shall immediately terminate the customer's access to the data bases. The secretary may also pursue collection of the dishonored draft or negotiable instrument and recover the face amount of the draft or negotiable instrument and any additional costs incurred to collect the amount. If the draft or negotiable instrument is honored, access may be restored and the secretary may impose restrictions on the methods of payment that will be acceptable.

Subd. 4. COLLECTION OF ALL AMOUNTS. The secretary of state must collect the face amount of the dishonored draft or negotiable instrument, any service fee, and all costs of collection in every possible instance. Collection must occur whether or not the instrument is returned to the public record or the customer continues to receive the information products or access to the data base. Uncollectible drafts must be processed according to applicable Minnesota law.

Sec. 4. [5.24] SUPPLEMENTAL FILING AND INFORMATION SERVICES.

(a) The secretary of state may offer services to the public that supplement filing and information services already authorized by law. The secretary of state may discontinue the supplemental services at any time. The services must be designed to provide the public with a benefit by improving the manner of providing, or by providing an alternative manner of payment for, existing services provided by the secretary of state.

(b) The cost of providing the supplemental services to the public, as determined by the secretary of state, must be recovered from the recipients of the services. The funds collected for the services must be deposited in the uniform commercial code account and are continuously available to the secretary of state for payment of the cost of providing the supplemental services.

Sec. 5. Minnesota Statutes 1990, section 302A.821, subdivision 3, is amended to read:

Subd. 3. LOSS OF GOOD STANDING. A corporation that fails to file a registration pursuant to the requirements of subdivision 1 loses its good stand-

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ing in this state and is subject to a \$25 ~~fine fee~~. The corporation may regain its good standing in this state by filing ~~the a~~ a single registration.

Sec. 6. Minnesota Statutes 1990, section 302A.821, subdivision 4, is amended to read:

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 ~~registrations~~ are registration is not filed pursuant to subdivision 1 within 60 days after the mailing of the notice. For purposes of this subdivision, "delinquent registration" means a single annual registration.

Sec. 7. Minnesota Statutes 1990, section 302A.821, subdivision 5, is amended to read:

Subd. 5. **PENALTY.** (a) A corporation that has failed for three consecutive years to file a registration pursuant to the requirements of subdivision 1, has been notified of the failure pursuant to subdivision 4, and has failed to file the delinquent ~~registrations~~ registration during the 60-day period described in subdivision 4, may 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 ~~registrations~~ 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 ~~and a notice explaining that the corporation has been dissolved~~ shall be sent to the registered office of the corporation. The secretary of state shall annually inform the attorney general and the commissioner of revenue of the names of corporations dissolved under this section during the preceding year. A corporation dissolved in this manner is not entitled to the benefits of section 302A.781, subdivision 1. 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.

Sec. 8. Minnesota Statutes 1990, section 303.07, subdivision 2, is amended to read:

Subd. 2. **ANNUAL FEE.** The secretary of state shall collect an annual license fee from each foreign corporation holding a certificate of authority to transact business in this state. A foreign corporation shall pay \$20 per \$100,000 or fraction thereof of its Minnesota taxable net income for the last taxable year ending prior to the payment of the fee. If the taxable year ended less than 75 days before the date the fee is received by the secretary of state, the taxable net income from the preceding taxable year shall determine the fee. In no event

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shall the annual license fee be less than \$40. The corporation shall pay this fee by ~~April~~ May 15 of each year.

Sec. 9. Minnesota Statutes 1990, section 303.08, is amended to read:

303.08 ISSUANCE OF CERTIFICATE OF AUTHORITY.

Subdivision 1. **BY SECRETARY OF STATE.** If the application be according to law, the secretary of state, when all fees and charges have been paid as required by law, shall file the application and the ~~copy of the articles of incorporation certificate of existence~~, and shall issue and record a certificate of authority to transact business in this state.

Subd. 2. **CONTENTS.** The certificate of authority shall contain the name of the corporation, the state or country of organization, ~~the period of duration of its corporate existence~~, the address of its registered office in this state, and a statement that it is authorized to transact business in this state.

Sec. 10. Minnesota Statutes 1990, section 303.13, subdivision 1, is amended to read:

Subdivision 1. **FOREIGN CORPORATION.** A foreign corporation shall be subject to service of process, as follows:

(1) By service on its registered agent;

(2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or by an affidavit of attempted service by any person not a party, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any deputy or clerk in the corporation department of the secretary of state's office, ~~three~~ two copies thereof and a fee of \$35; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

(3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and successors to be its true and lawful attorney upon whom may be served all lawful process in

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any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with a fee of \$35 and the secretary of state shall mail one copy thereof to the corporation at its last known address, and the corporation shall have 30 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 11. Minnesota Statutes 1990, section 303.17, subdivision 1, is amended to read:

Subdivision 1. **GROUND**S. The certificate of authority of a foreign corporation to transact business in this state shall be revoked by the secretary of state if it fails:

- (1) To pay any fee due under the provisions of this chapter;
- (2) To designate a registered agent when a vacancy occurs in that office, or when the appointed registered agent becomes disqualified or incapacitated;
- (3) To file ~~amendments to its articles of incorporation; articles of reduction of stated capital; or articles certifying~~ articles of merger or consolidation name change, as required in section 303.11;
- (4) To file an annual report; or
- (5) To comply with the provisions of Minnesota Statutes 1949, section 303.04, and acts amendatory thereof and supplementary thereto, insofar as it relates to the limits of territory in which a savings and loan, building and loan, or savings, building and loan association organized under the laws of another state may carry on the business of making real estate mortgages.

Sec. 12. Minnesota Statutes 1990, section 308A.131, subdivision 1, is amended to read:

Subdivision 1. **CONTENTS**. (a) The incorporators shall prepare the articles, which must include:

- (1) the name of the cooperative;
- (2) the purpose of the cooperative;
- (3) the principal place of business for the cooperative;
- (4) the period of duration for the cooperative, if the duration is not to be perpetual;
- (5) the total authorized number of shares and the par value of each share if the cooperative is organized on a capital stock basis;

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(6) a description of the classes of shares, if the shares are to be classified;

(7) a statement of the number of shares in each class and relative rights, preferences, and restrictions granted to or imposed upon the shares of each class, and a provision that only common stockholders have voting power;

(8) a statement that individuals owning common stock shall be restricted to one vote in the affairs of the cooperative;

(9) a statement that shares of stock are transferable only with the approval of the board;

(10) a statement that dividends on the capital stock of the cooperative may not exceed eight percent annually;

(11) the names, post office addresses, and terms of office of the directors of the first board; ~~and~~

(12) a statement that net income in excess of dividends and additions to reserves shall be distributed on the basis of patronage, and that the records of the cooperative may show the interest of patrons, stockholders of any classes, and members in the reserves; and

(13) the registered office address of the cooperative and the name of the registered agent, if any, at that address.

(b) The articles must always contain the provisions in paragraph (a), except that the names, post office addresses, and terms of offices of the directors of the first board may be omitted after their successors have been elected by the members or the articles are amended in their entirety.

(c) The articles may contain other lawful provisions.

(d) The articles must be signed by the incorporators.

Sec. 13. Minnesota Statutes 1990, section 308A.801, subdivision 6, is amended to read:

Subd. 6. **FILING FEE.** The fee to be paid to the secretary of state for filing articles of merger or consolidation is ~~\$50~~ \$60.

Sec. 14. Minnesota Statutes 1990, section 317A.821, subdivision 2, is amended to read:

Subd. 2. **LOSS OF GOOD STANDING; CORPORATE NAME.** A corporation that does not file the initial corporate registration required under subdivision 1 with the secretary of state on or before December 31, 1990, loses its good standing. To regain its good standing, the corporation must file the initial corporate registration. If, as a part of the initial corporate registration process the corporation needs to bring its registered office address into compliance with section 317A.011, subdivision 2, the fees stated in subdivision 1, paragraph (b),

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apply. If a corporation loses its good standing under this subdivision, its corporate name or a name that is not distinguishable may be registered after January 1, 1992, by another person before the corporation regains its good standing. If the name or a name that is not distinguishable has been registered by another person, the corporation may not file its initial corporate registration and regain its good standing unless it obtains the consent of the other person as provided in section 317A.115, subdivision 2, or adopts a new corporate name that complies with section 317A.115.

Sec. 15. Minnesota Statutes 1990, section 317A.823, is amended to read:

317A.823 ANNUAL CORPORATE REGISTRATION.

Subdivision 1. NOTICE FROM SECRETARY OF STATE; REGISTRATION REQUIRED. (a) Before February 1 of each year, the secretary of state shall mail a corporate registration form by first-class mail 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.

(b) A corporation shall file a corporate registration with the secretary of state once each calendar year. The registration must include the exact legal corporate name and registered office address of the corporation and must be signed by an authorized person. 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 ~~list~~ file the new registered office address on the registration form. 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.

Subd. 2. LOSS OF GOOD STANDING; CORPORATE NAME. 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 ~~the~~ a single annual corporate registration and pay a \$25 fee. If a corporation loses its good standing under this subdivision, its corporate name or a name that is not distinguishable may be registered by another person before the corporation regains its good standing. If the name or a name that is not distinguishable has been registered by another person, the corporation may not file its corporate registration and regain its good standing unless it obtains the consent of the other person as provided in section 317A.115, subdivision 2, or adopts a new corporate name that complies with section 317A.115.

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 shall give notice to the corporation by first-class mail at its registered office that it has violated this section and is subject to dissolution under section

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317A.827 if the delinquent ~~registrations are~~ registration is not filed with a \$25 fee within 60 days after the mailing of the notice. For purposes of this subdivision, "delinquent registration" means a single registration. A corporation that fails to file the delinquent annual ~~registrations~~ registration within the 60 days is dissolved under section 317A.827.

Sec. 16. Minnesota Statutes 1990, section 317A.827, subdivision 1, is amended to read:

Subdivision 1. **PROCEDURE.** If a corporation requests dissolution as part of the initial registration under section 317A.821, if it fails to file the initial registration by December 31, 2000, or if it fails to file the delinquent ~~registrations~~ registration before expiration of the 60-day period in section 317A.823, subdivision 3, the secretary of state shall immediately issue a certificate of dissolution and file a copy in the office of the secretary of state. If the corporation is dissolved for failure to file a registration, the secretary of state shall issue a certificate of involuntary dissolution. The secretary of state shall send the original certificate ~~and a notice that the corporation has been dissolved~~ to the registered office of the corporation. The secretary of state shall annually inform the attorney general of the names of corporations dissolved under this section during the previous year and indicate whether the dissolution was voluntary or involuntary. A corporation dissolved under this section is not entitled to the benefits of section 317A.781, subdivision 1.

Sec. 17. Minnesota Statutes 1990, section 331A.02, subdivision 1, is amended to read:

Subdivision 1. **QUALIFICATION.** No newspaper in this state shall be entitled to any compensation or fee for publishing any public notice unless it is qualified as a medium of official and legal publication. A newspaper that is not qualified must inform a public body that presents a public notice for publication that it is not qualified. To be qualified as a medium of official and legal publication, a newspaper shall:

(a) be printed in the English language in newspaper format and in column and sheet form equivalent in printed space to at least 1,000 square inches;

(b) if a daily, be distributed at least five days each week, or if not a daily, be distributed at least once each week, for 50 weeks each year. In any week in which a legal holiday is included, not more than four issues of a daily paper are necessary;

(c) in at least half of its issues each year, have no more than 75 percent of its printed space comprised of advertising material and paid public notices. In all of its issues each year, have 25 percent, if published more often than weekly, or 50 percent, if weekly, of its news columns devoted to news of local interest to the community which it purports to serve. Not more than 25 percent of its total nonadvertising column inches in any issue may wholly duplicate any other publication unless the duplicated material is from recognized general news services;

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(d) be circulated in the local public corporation which it purports to serve, and either have at least 500 copies regularly delivered to paying subscribers, or have at least 500 copies regularly distributed without charge to local residents;

(e) have its known office of issue established in either the county in which lies, in whole or in part, the local public corporation which the newspaper purports to serve, or in an adjoining county;

(f) file a copy of each issue immediately with the state historical society;

(g) be made available at single or subscription prices to any person, corporation, partnership, or other unincorporated association requesting the newspaper and making the applicable payment, or be distributed without charge to local residents;

(h) have complied with all the foregoing conditions of this subdivision for at least one year immediately preceding the date of the notice publication; and

(i) between ~~October~~ September 1 and December 31 of each year publish and submit to the secretary of state, along with a filing fee of \$25, a sworn United States Post Office second-class statement of ownership and circulation or a statement of ownership and circulation verified by a recognized independent circulation auditing agency covering a period of not less than one year ending no earlier than the June 30 preceding the filing deadline, provided that a filing published and submitted after December 31 and before July 1 shall be effective from the date of filing through December 31 of that year. The secretary of state shall make the list of newspapers whose filings have been accepted available for public inspection. The acceptance of a filing does not constitute a guarantee by the state that any other qualification requirement has been met.

Sec. 18. EFFECTIVE DATE.

Sections 3, 5, 6, 7, 12, 14, 15, and 16 are effective the day following enactment. Section 4 is effective July 1, 1991.

Presented to the governor May 23, 1991

Signed by the governor May 27, 1991, 10:50 p.m.

CHAPTER 206—H.F.No. 571

An act relating to retirement; Minneapolis municipal employees; making various changes reflecting benefits, administration, and investment practices of the Minneapolis employees retirement fund; amending Minnesota Statutes 1990, sections 11A.24, subdivision 1; 356.71; 422A.03, subdivision 1; 422A.05, subdivision 2c; 422A.09, subdivision 3; 422A.13, subdivision 2; and 422A.16, subdivisions 1 and 3.

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