1999 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1372

### 1999 HOUSE STANDING COMMITTEE MINUTES

### **BILL/RESOLUTION NO. HB 1372**

### House Government and Veterans Affairs Committee

### □ Conference Committee

Hearing Date 1-28-1999

Tape Number	Side A	Side B	Meter #
1	Х		0.6 - 7.5
1			
Committee Clerk Signa	iture & miselle	*	

<u>Minutes</u>: Some of the individuals testifying submit written testimony. When noted please refer to it for more detailed information.

<u>Representative Klein</u>, Chairman of the GVA Committee opened the hearing on January 28, 1999. <u>Summary of the Bill</u>: Relating to fictitious name certificate renewals filed with the Secretary of State.

### Testimony in Favor:

<u>Representative Pollert</u>, Appeared before the committee to introduce this bill. Basically this is a house keeping bill.

<u>Clara Jenkins</u>, Secretary of States Office submitted written testimony which she read in it's entirety (**please refer to her testimony**). The intent of this bill is to reduce from two to one the number of documents needed under certain circumstances when filing for fictitious name. Representative Klein, This will reduce the amount of paper it will produce and processing? Page 2 House Government and Veterans Affairs Committee Bill/Resolution Number HB 1372 Hearing Date 1-28-1999

Jenkins, Exactly.

<u>Representative Klemin</u>, Down to one document but still charging for two when it comes to fees? <u>Jenkins</u>, Yes. The fees were already provided in other sections, and we thought by eliminating the fees there would no longer be a motivator by partnerships to take care of this that the section required to take care of.

Representative Hawken, It would seem to me that you could actually impose a fine for not

having filed when they were suppose to. This paying a second fee is justified.

<u>Jenkins</u>, Stature doesn't provide for a fine. We spend extra time trying to find these people when their renewals come back undeliverable. So they can keep their records up. Their not getting off the hook (so to speak)

Testimony in Opposition: None.

Committee Action:

Representative Hawken, Made a motion for a Do Pass.

Representative Haas, Seconded the motion.

Motion Passes: Do Pass 12-1-2.

Representative Cleary, Is the carrier for the bill.

### FISCAL NOTE

(Return original and 10 copies)

I/Resolution No.: HB 1372 Amendment to:

Requested by Legislative Council

endment to:

Date of Request:

January 18, 1999

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. Please provide breakdowns, if appropriate, showing salaries and wages, operating expenses, equipment, or other details to assist in the budget process. In a word processing format, add lines or space as needed or attach a supplemental sheet to adequately address the fiscal impact of the measure.

Narrative: The fiscal impact is neutral. The purpose of the bill is to combine two documents into one, under certain circumstances, for the convenience of the filer and for easier processing by the Secretary of State's office. It does not change the fee structure.

2. State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-	-2001	2001-03		
			Bien	nium	Biennium		
	General Fund	Other Funds	General Fund Other Funds		General Fund	Other Funds	
Revenues	None	None	None	None	None	None	
Expenditures	None	None	None	None	None	None	

3. What, if any, is the effect of this measure on the budget for your agency or department:

0

	For rest of 1997-99 biennium:	None (Indicate the portion of this amount included in the 1999-2001 executive budget:)
b.	For the 1999-2001 biennium:	None (Indicate the portion of this amount included in the 1999-2001 executive budget:)
C.	For the 2001-03 biennium:	None

4. County, city, and school district fiscal effect in dollar amounts:

1997-99			1999-2001 2			2001-03	2001-03	
	Biennium		Biennium			Biennium		
		School			School			School
Counties	Cities	Districts	Counties	Cities	Districts	Counties	Cities	Districts
None	None	None	None	None	None	None	None	None

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Signed:	awand	$\backslash$	anger		
	Alvin A. Jaeger				
Department:	Secretary of State	$\mathcal{O}$			
Phone Number:	328-2900				
Date Prepared:	January 18, 1999				

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		1 0 0

Date: <u>۱-2</u>۶-۹۹ Roll Call Vote #: \_\_\_\_

## 1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. $13^22$

# House GOVERNMENT AND VETERANS AFFAIRS

Committee

Subcommittee on		1. 			
or Conference Committee					
Legislative Council Amendment Num	ber _				1
Action Taken $D_{\circ}$ $P_{AS}$	5				
Motion Made By		See By	conded <u>HAAS</u>		
Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	$\vee$		REP. WINRICH	V	
VICE-CHAIR KLINISKE	V				
REP. BREKKE		-			
REP. CLEARY	~				
REP. DEVLIN	1			<b>_</b>	
REP. FAIRFIELD					<b> </b>
REP. GORDER	1				
REP. GRANDE	~				
REP. HAAS	V				
REP. HAWKEN	0				
REP. KLEMIN		V			<b> </b>
REP. KROEBER	V				
REP. METCALF	12				──
REP. THORESON	V				
Total (Yes)		No			
Absent					
Floor Assignment CLEA	RY				

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

### **REPORT OF STANDING COMMITTEE**

HB 1372: Government and Veterans Affairs Committee (Rep. Klein, Chairman) recommends DO PASS (12 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). HB 1372 was placed on the Eleventh order on the calendar.



## 1999 SENATE GOVERNMENT AND VETERANS AFFAIRS HB 1372

#### 1999 SENATE STANDING COMMITTEE MINUTES

### **BILL/RESOLUTION NO. HB 1372**

Senate Government and Veterans Affairs Committee

□ Conference Committee

Hearing Date March 12, 1999

Tape Number	Side A	Side B	Meter #
1		Х	1,090-1500
Committee Clerk Signa	iture Tame O 6	Raile	

Minutes: CHAIRMAN KREBSBACH opened the hearing on HB 1372 which relates to fictitious name certificate renewals filed by the secretary of state. Appearing before the committee on behalf of Secretary of State Al Jaeger was CLARA JENKINS with the business division of the Secretary of States Office. A copy of Mr. Jaeger's written testimony is attached. CHAIRMAN KREBSBACH asked CLARA to give her an example of a partnership fictitious name filing. CLARA indicated like if you have ABC Motors Sales that would be a fictitious name if it is owned by a partnership. You have no idea who the owners are. CHAIRMAN KREBSBACH and I would imagine many filings are under that category. CLARA, actually Senator Krebsbach, they are starting to decrease because many of our general partnerships are converting to LLB's and they have an annual filing so it's easier to keep track of. These 5 year ones because of forwarding of mail for a limited time makes us spend more time trying to locate some of these. There were no further questions for Clara. SENATOR STENEHJEM made a

Page 2 Senate Government and Veterans Affairs Committee Bill/Resolution Number HB 1372 Hearing Date March 12, 1999

motion for a DO PASS on HB 1372, seconded by SENATOR THANE. ROLL CALL VOTE

indicated 7 YEAS, 0 NAYS, 0 ABSENT OR NOT VOTING. SENATOR THANE will carry the

bill.

Date: 3/12/99 Roll Call Vote #:

# 1999 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. HB 1372

Senate GOVERNMENT AND V	ETERA	N'S AF	FAIRS		Comn	nittee
Subcommittee on						
Or Conference Committee						
Legislative Council Amendment Nu	mber _					
Action Taken	p Po	155				
Motion Made By	<u>uhjer</u>	Sea By	conded <u>Ser</u>	n Thai	ie	
Senators	Yes	No	Senators		Yes	No
SENATOR KREBSBACH	V					
SENATOR WARDNER	V,					
SENATOR KILZER	V					
SENATOR STENEHJEM	V,					
SENATOR THANE						
SENATOR DEMERS	14					$\vdash$
SENATOR MUTZENBERGER						$\vdash$
						$\vdash$
					<b> </b>	
Total (Yes)	1	No	0		L	
Absent		0				u.
Floor Assignment	Sen	-	Thone			

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

### **REPORT OF STANDING COMMITTEE**

HB 1372: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1372 was placed on the Fourteenth order on the calendar. 1999 TESTIMONY

HB 1372



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SECRETARY OF STATE STATE OF NORTH DAKOTA 600 EAST BOULEVARD AVENUE DEPT 108 BISMARCK ND 58505-0500

January 28, 1999

TO: Rep. Klein and Members – House Government and Veterans Affairs Committee

FR: Al Jaeger, Secretary of State

RE: HB 1372 - Fictitious Name Certificates

The intent of this bill is to reduce from two to one the number of documents needed under certain circumstances as it pertains to a Fictitious Name Certificate.

The filing of a Fictitious Name Certificate is required of a general partnership using a business name that does not include the names of all members. It must be renewed every five years.

Whenever a general partnership changes its membership or its address of the principal place of business, it is required to amend the Fictitious Name Certificate that is on file with the Secretary of State. Unfortunately, many partnerships neglect to file the amendments when these changes occur and they are usually not discovered until the partnership renews its Fictitious Name Certificate.

This bill would allow, at the time a Fictitious Name Certificate is renewed (and these unreported changes have occurred), the Secretary of State to accept those changes without an amended certificate to be filed first as long as the appropriate additional fee for the amendment is paid. This change would eliminate the need for a second document and a second processing procedure.

SECRETARY OF STATE ALVIN A. JAEGER

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SECRETARY OF STATE STATE OF NORTH DAKOTA 600 EAST BOULEVARD AVENUE DEPT 108 BISMARCK ND 58505-0500

March 12, 1999

TO: Senator Krebsbach and Members – Senate Government and Veterans Affairs Committee

FR: Al Jaeger, Secretary of State

RE: HB 1372 – Partnership Fictitious Name Certificates

The intent of this bill is to reduce from two to one the number of documents needed under certain circumstances as it pertains to a Partnership Fictitious Name Certificate.

The filing of a Partnership Fictitious Name Certificate is required of a general partnership using a business name that does not include the names of all members. It must be renewed every five years.

Whenever a general partnership changes its membership or the address of its principal place of business, it is required to amend the Partnership Fictitious Name Certificate that is on file with the Secretary of State. Unfortunately, many partnerships neglect to file the amendment when these changes occur. Usually they are not discovered until the partnership renews its Partnership Fictitious Name Certificate at the end of five years.

This bill would allow, at the time a Partnership Fictitious Name Certificate is renewed (and these unreported changes have occurred), the Secretary of State to accept those changes without the partnership first filing an amendment. That is, as long as the appropriate additional fee for the amendment is paid.

This bill does not eliminate the need for the amendment or the fee. Its sole purpose is to eliminate the need for a second document and a second processing procedure when the Partnership Fictitious Name Certificate is renewed.