FIFTY-SEVENTH BIENNIAL REPORT
July 1, 2005 - June 30, 2007

SECRETARY OF STATE

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STATE OF NORTH DAKOTA
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November 30, 2007

The Honorable John Hoeven
Governor
State of North Dakota
600 East Boulevard Avenue
Bismarck ND 58505-0001

Dear Governor Hoeven,

As required by Section 54-06-04 of the North Dakota Century Code, I present for your review the biennial report for the office of the Secretary of State. This report covers the biennial period of July 1, 2005, to June 30, 2007. It represents the fifty-seventh biennial report submitted by the Secretary of State to the Governor since November 2, 1889, the year North Dakota became a state.

This report also includes, as mandated by Section 54-09-02(9) of the North Dakota Century Code, a detailed statement of the manner in which the appropriations for the Office of Secretary of State were expended during the reporting period. The oath, as prescribed in that section of law, is on page two.

In preparing this biennial report, my staff and I attempted to include useful information, which accurately documents the duties, functions, and accomplishments of the Secretary of State's office. If that goal has been achieved, this biennial report for the Secretary of State's office will be a helpful reference source for citizens, elected officials, legislators, students, politicians, reporters, historians, and unknown others, now and for years to come.

Sincerely,

Alvin A. Jaeger
Secretary of State

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Acknowledgments

This is the eighth biennial report prepared under my administration. It was prepared with the support and assistance provided by the personnel in the office of Secretary of State. I am grateful for their help.

In particular, I thank my Executive Assistant, Kim Shaw, for her dedication in gathering, proofreading, and preparing the information used in this report.

In addition, the following individuals provided invaluable specific assistance: Clara Jenkins, Executive Staff Business Systems Director; Mary Feist, Executive Staff Operational Management Director; Tracy Fillbrandt, Unit Lead, Central Indexing; Lee Ann Oliver, Election Specialist, Elections Unit; and Jim Silrum, Deputy Secretary of State.

Alvin A. Jaeger
Secretary of State

Affidavit of Secretary of State

STATE OF NORTH DAKOTA)
) SS
COUNTY OF BURLEIGH)

Alvin A. Jaeger, after being first duly sworn and under the pains and penalties of perjury, deposes and says:

1. That he is the duly elected Secretary of State for the State of North Dakota and makes this affidavit in his official capacity.

2. That pursuant to N.D.C.C. § 54-09-02(9), he is required to biennially report to the Governor all moneys received from any source for services performed and accompany such report with a detailed statement under oath of the manner in which the appropriations for his office have been expended during the preceding two fiscal years.

3. That attached hereto and expressly incorporated by reference herein is a Statement of Revenues, Appropriations, and Expenditures which detail the manner in which the appropriations for his office have been expended during the previous two fiscal years.

4. That the attached Statement of Revenues, Appropriations, and Expenditures is derived from the official books and records maintained by the Office of Secretary of State for the previous two fiscal years.

5. That to the best of affiant's knowledge, information, and belief, the attached Statement of Revenues, Appropriations, and Expenditures is a true and accurate statement of the manner in which the appropriations for his office has been expended during the previous two fiscal years as contemplated by N.D.C.C. § 54-09-02(9).

FURTHER AFFIANT SAYETH NOT.

Alvin A. Jaeger
Alvin A. Jaeger
Secretary of State

MARY J. HILZENDEGER
Notary Public
State of North Dakota
My Commission Expires May 1, 2013

Subscribed and sworn to before me this 29 day of November, 2007.

Mary J. Hilzendeger
NOTARY PUBLIC

Chapter One

Constitutional, Statutory, and Legislative Authority

The origins of the Secretary of State's office begins prior to North Dakota's admittance to the union as a state on November 2, 1889. On March 2, 1861, the Congress of the United States adopted The Organic Law, which established the Territory of Dakota. Section three of that law prescribed there would be a secretary of the territory. The term of office was four years, unless sooner removed by the President of the United States. The duties of the secretary were to record and preserve all the laws and proceedings of the legislative assembly, the acts and proceedings of the Governor, and many other duties, which are very similar to those mandated in present day law to the Secretary of State.

The office, as known today, was established in Article V, Section 12, of the Constitution of North Dakota when the state's citizens adopted it on October 1, 1889. Out of a total of 35,548 electors casting their ballot, 27,441 (77%) voters were in favor of adoption and 8,107 (23%) voters were opposed.

Currently, the office of Secretary of State is authorized in Article V, Section 2, of the North Dakota Constitution (as amended by the voters June 11, 1996 and as amended by the voters June 13, 2000). The duties of the Secretary of State are defined in various parts of the state's constitution, in numerous state statutes, and within the agency's administrative rules.

In the state's constitution, the duties of the Secretary of State appear in Article III, related to the initiative and referral powers of the people; Article IV, Section 12, related to choosing a winner by a toss of a coin if two or more legislative candidates have an equal and highest number of votes; Article IV, Section 13, related to the filing of legislative bills; Article V, Section 5, related to term of office; Article V, Section 11, related to succession in the event of a vacancy in the office of Governor and Lieutenant Governor; Article IX, Section 3, related to membership on the Board of University and School Lands; Article X, Section 17, related to the certificates regarding bonds or evidence of indebtedness on the part of the state.

In the Century Code (state law), the general duties of the Secretary of State are established in Chapter 54-09; in Title 10 as they pertain to various business structures, e.g., registered agents, corporate and limited liability company farming, electric cooperative corporations, cooperative associations, business corporations, development corporations, venture capital corporations, community development corporations, professional organizations, limited liability companies, nonprofit corporations, real estate investment trusts, and publicly traded corporations; in Title 16.1 as they relate to elections; in Title 35 as they relate to liens, e.g., agister's, agricultural processor's, and agricultural supplier's; in Title 41 as they relate to the uniform commercial code; in Chapter 43-07 related to contractors; in Chapter 43-54 related to home inspectors; in Chapter 43-55 related to professional employer organizations; in Title 45 as they pertain to general partnerships, limited partnerships, limited liability partnerships, and limited liability limited partnerships; in Chapter 50-22 related to charitable solicitation; in Chapter 53-01 related to boxing and mixed fighting styles; in Chapter 54-02-01 related to the state's Great Seal; in Chapter 54-05.1 related to lobbying; and in other sections related to miscellaneous duties.

Under both the provisions of the Constitution and the North Dakota Century Code, the Secretary of State serves on the following boards, commissions, and advisory capacities.

Board of University and School Lands (North Dakota Constitution, Article IX, Section 3)

Emergency Commission (also serves as secretary of the commission) (N.D.C.C. § 54-16-01)

State Historical Board (N.D.C.C. § 55-01-01)

State Canvassing Board (N.D.C.C. § 16.1-15-33)

Theodore Roosevelt Rough Rider Award (N.D.C.C. § 54-02-07)

Chapter Two

Term of Office and Listing of Secretaries

When the North Dakota Constitution was adopted in 1889, the term of the office for the Secretary of State was two years in length. Beginning in 1965, along with several other constitutional statewide elected officials, the term of office for the Secretary of State was extended to four years. This change occurred when voters approved Measure # 5, which appeared on the ballot in the June 30, 1964, election. In that election, 115,393 electors cast a ballot with 60,099 (52%) voters in favor of the measure and 55,294 (48%) voters opposed.

The next change in the term of office occurred on June 13, 2000, when the voters approved Measure # 2. This measure moved the election of four constitutional offices (Secretary of State, Attorney General, Tax Commissioner, Commissioner of Agriculture) to the non-presidential election year cycle. To establish the new cycle, these four constitutional offices were elected to a term of two years in the 2004 general election. In the 2006 general election, and every four years thereafter, these four positions reverted to a term of four years. The vote for Measure # 2 was 49,391 (62%) voters in favor of the change and 30,431 (38%) voters who opposed the change.

North Dakota Secretaries of State

John Flittie.....1889-1892

Christian M. Dahl.....1893-1896

Fred Falley.....1897-1900

Edward F. Porter.....1901-1906

Alfred Blaisdell.....1907-1910

Patrick D. Norton.....1911-1912

Thomas Hall *.....1913-1924

Robert Byrne.....1925-1934

James D. Gronna.....1935-1940

Herman Thorson.....1941-1942

Thomas Hall *.....1943-1954

Ben Meier.....1955-1988

Jim Kusler.....1989-1992

Alvin A. Jaeger.....1993-present

* Served at two different times

Additional information regarding previous Secretaries may be obtained from the 1989, 1995, 1997-1999, 1999-2001, 2001-2003, 2003-2005, 2005-2007, and 2007-2009 editions of the *North Dakota Blue Book*.

Chapter Three

Duties of Office

The following duties for the Secretary of State are prescribed in Section 54-09 and other sections of the North Dakota Century Code.

1. Custodian of Great Seal of North Dakota and other original state documents;
2. Attests the signature of the Governor on official acts and maintains a register for them;
3. Serves as a member of and secretary to the Emergency Commission; is a member of the Board of University and School Lands; is a member of the State Historical Board; and is a member of and secretary to the State Canvassing Board (elections);
4. Concur with Governor's selection for the Theodore Roosevelt Rough Rider Award;
5. Serves as the State Athletic Commissioner for boxing and mixed fighting styles;
6. Distributes the North Dakota Century Code, the North Dakota Administrative Code and supplements, and the North Dakota Session Laws books;
7. Biennially publishes and distributes the *North Dakota Blue Book*;
8. Receives and files original copies of legislative bills and resolutions;
9. Distributes copies of legislative resolutions as prescribed by law and directed by the legislature;
10. Serves as the state's chief election officer;
11. Prescribes the form and content of statewide election ballots;
12. Files campaign finance disclosure reports of statewide candidates, political parties, district political parties, political committees, political action committees (PAC), and measure committees;
13. Certifies the names of persons elected to each house of the Legislative Assembly;
14. Receives and files petitions for initiated, constitutional, and referred measures;
15. Files oaths of office for legislative, judicial, and executive officials;
16. Issues certificates of registration to lobbyists;
17. Licenses contractors, registers charitable organizations and home inspectors;
18. Commissions notaries public;
19. Completes service of process as required by law;
20. Files uniform commercial code (UCC) documents, various agricultural liens, and other miscellaneous liens;
21. Maintains the central indexing system and its network link to the state's fifty-three County Recorders (name changed from Register of Deeds, effective August 1, 2001);
22. Administers the Registered Agents Act;
23. Registers trademarks and trade names, partnership fictitious name certificates, real estate investment trusts, limited partnerships, limited liability partnerships, limited liability limited partnerships, and professional employer organizations;
24. Files and records articles of incorporation related to domestic and foreign business corporations, publicly traded corporation, domestic and foreign nonprofit corporations, state banks, credit unions, lodges and fraternal organizations, mutual aid cooperatives, and cooperatives;
25. Files and records articles of organization related to domestic and foreign limited liability companies;
26. Receives annual reports from various business entities as prescribed by state law;
27. Keep records of organized cities as prescribed by law.

Chapter Four

Office of Secretary of State

Mission Statement

This office will:

Serve the people of the State of North Dakota and its guests.

Execute with integrity the duties required by the North Dakota Constitution and the North Dakota Century Code.

Collect and preserve the records of the State as defined by the law.

Act as an ambassador for the State of North Dakota, its people, and its way of life.

This mission will be dispatched effectively, efficiently, expeditiously, courteously, and with financial responsibility.

(Adopted 1993)

Chapter Five (A)

Organization of Office

As provided for in the North Dakota Constitution, the Secretary of State has overall responsibility for carrying out the duties and functions of the office. To assist, the Secretary of State may appoint a Deputy (N.D.C.C. § 44-03-01 and N.D.C.C. § 1-01-11). In addition, the Secretary of State is authorized to hire one principal assistant (N.D.C.C § 54-44.3-20(1)). The positions of Deputy and Executive Assistant are non-classified positions and the appointees serve at the will of the Secretary.

The Secretary appointed I. James (Jim) Silrum, Deputy Secretary of State, effective November 17, 2003.

Appointed August 1, 1995, Kim N. Shaw is the Secretary of State's Executive Assistant.

The organizational structure for the office divides the functional duties of the office into several operating units. During the biennium, the office was authorized twenty-three classified full-time employees and three (including the Secretary of State) non-classified full-time employees. It is also authorized one full-time position, which is federally funded, to assist with the administration of the Help America Vote Act of 2002. The divisions are as follows:

Administrative/Licensing Unit

Central Indexing Unit (UCC/CNS)

Business Registration Unit

Business Information Unit

Elections Unit

Technical Information Unit

Chapter Five (B)

Personnel in Office of the Secretary of State

(As of June 30, 2007)

Alvin (Al) A. Jaeger
Secretary of State

Jim Silrum
Deputy Secretary of State

Kim N. Shaw
Executive Assistant

Office Directors

Clara M. Jenkins, Business Systems Director
Executive Staff Officer
Mary B. Feist, Operational Management Director
Executive Staff Officer

Administrative/Licensing Unit

Mary J. Hilzendeger
Administrative Assistant I
Sheila S. Goehring
Accounting/Budget Specialist I
Charlotte Zander
Account Technician II
Vicky Miner
Office Assistant III
Allison Schumacher
Office Assistant III

Central Indexing Unit (UCC/CNS)

Tracy Fillbrandt, Unit Lead
Administrative Staff Officer I
Karen K. Weigel
Office Assistant III
Tina Axt
Office Assistant III
Cindy Doll
Office Assistant III

Technical Information Unit

Linda G. Gregoryk
Information Center Specialist I
Ramona Bernard
Information Center Specialist I

Business Registration Unit

Susan J. Rask, Unit Lead
Administrative Staff Officer I
Nancy L. Schlosser
Administrative Assistant II
Lori Feldman
Administrative Assistant II
Marian Hapip
Administrative Assistant II

Business Information Unit

Darcy D. Cermak, Unit Lead
Administrative Staff Officer I
Linda Sandeen
Office Assistant III
Lucille Van Dame
Office Assistant III
Susan Gimbel
Office Assistant III
Reyne White
Office Assistant III

Elections Unit

Lee Ann Oliver, Unit Lead
Administrative Staff Officer I
Steve Bourgois, Election Administration System
Manager
Administrative Staff Officer I

Chapter Six (A)

Appropriations

During the 1991-1993 biennium, the budget for the Secretary of State included appropriations for both General Funds and Special Funds. Although appropriations for a Special Fund are based on projected revenue, the expenditures from the fund cannot exceed the actual amount of revenue received. In 1991-1993, the agency's Special Fund was directly related to the operations of the Central Indexing System (CIS).

The 1993 Legislative Assembly eliminated the CIS Special Fund from the Secretary of State's budget when approving the agency's appropriation for the 1993-1995 biennium. Consequently, the agency was totally funded by General Fund dollars, which method of funding was continued in appropriations approved by the 1995 and 1997 Legislative Assemblies.

Then, the 1999 Legislative Assembly approved the creation of a General Services Operating fund for the agency beginning with the 1999/2001 biennium (1999 Session Laws Chapter 24). The creation of this fund allowed the Secretary of State's office to retain revenue received from the sale of services and products provided by the agency's Central Indexing and Business Registration/Information Divisions N.D.C.C. § 54-09-08). At the end of each biennium, the Secretary of State transfers any un-obligated revenue in excess of $75,000 from the agency's General Services Operating fund to the state's General Fund.

Legislative Appropriation

The 2005 Legislative Assembly's appropriation for the Secretary of State's office for the 2005/2007 biennium was contained in House Bill 1002, Sections 3 and 5, (2005 Session Laws, Chapter 2), House Bill 1050, Section 3 (2005 Session Laws, Chapter 25), and Senate Bill 2021, Section 4 (2005 Session Laws, Chapter 49). The gross total appropriated line items in effect on July 1, 2005, were as follows:

	Amount Appropriated
Subdivision 1	
Salaries and Wages – $2,284,111 plus $18,491	$ 2,302,602
Operating Expenses – $2,076,061 plus $125,000	2,201,061
Capital assets	15,000
Petition Review	8,000
Election Reform – $9,579,728 plus $105,000	9,684,728
Subtotal for Subdivision 1	$ 14,211,391
(General Funds – $ 4,162,363 plus $105,000 carryover from 2001 = $4,267,363)	
Subdivision 2	
Public Printing (see Chapter 12)	327,000
(General Funds – $ 327,000)	
Gross Spending Authority	$ 14,538,391

Appropriation by Source – General Fund	$ 4,594,363
Appropriation by Source – General Services Operating Fund	439,988
Appropriation by Source – Federal	9,504,040
Total Funding by Source	$ 14,538,391

Adjustments made to Original Appropriation during Biennium

Adjustment # 1 – On September 20, 2006, the Emergency Commission approved Request # 1615 increasing the spending authority in the General Services Operating Fund by $25,012 in the salary line and a line item transfer of $18,500 from the operating line to the salary line for a total adjustment of $43,512 to the salary line.

Adjustment # 2 – On November 27, 2006, the Emergency Commission approved Request # 1622 for a line item transfer of $8,000 from the operating line to the salary line.

Agency Appropriation after Preceding Adjustments

	Amount Appropriated
Subdivision 1	
Salaries and Wages	$ 2,354,114
Operating Expenses	2,174,561
Capital Assets	15,000
Petition Review	8,000
Election Reform	9,684,728
Subtotal for Subdivision 1	$ 14,236,403
(General Funds – $4,267,363)	
Subdivision 2	
Public Printing (see Chapter 12)	327,000
(General Funds – $327,000)	
Gross Spending Authority	$ 14,563,403

Appropriation by Source – General Fund	$ 4,594,363
Appropriation by Source – General Services Operating Fund	465,000
Appropriation by Source – Federal	9,504,040
Total Funding by Source	$ 14,563,403

Chapter Six (B)

Revenue

The office of the Secretary of State generates revenue for the state's General Fund and its General Services Operating fund in a variety of ways. The specific manner by which revenue is generated has been summarized in the several chapters contained within this report relating to the various divisions within the office. For the biennium covered by this report, the revenue was as follows:

General Fund Revenue		
Administration	$ 5,936	
Business Registration/Information	4,108,520	
Central Indexing	1,595,530	
Elections	6,634	
Licensing	1,098,565	
Subtotal	$ 6,815,185	
General Services Operating Fund Revenue		
Business Registration/Information	$ 134,290	
Central Indexing	318,229	
Elections	0	
Licensing	1,926	
Subtotal	$ 454,445	
Combined Subtotals		$ 7,269,630
Public Printing (see Chapter 12)	$ 19,383	
Subtotal		19,383
Gross Revenue		$ 7,289,013

Chapter Six (C)

Expenditures

	Adjusted Appropriation	Expenditures	Balance Remaining	Unspent Percentage of Subtotal # 1
Subdivision 1				
Salaries	$ 2,354,114	$ 2,343,512	$ 10,602	0.45%
Operating Expenses	2,174,561	2,174,211	349	0.02%
Capital Assets	15,000	14,044	956	6.37%
Petition Review	8,000	4,411	3,589	44.86%
Election Reform	9,684,728	5,716,341	3,968,387	40.98%
Subtotal	$ 14,236,403	$ 10,252,519	$ 3,983,883	
Expenditures by Funding Source				
General Funds	4,267,363	4,266,915	448	0.01%
Special Funds	465,000	429,308	35,692	7.68%
Federal Funds	9,504,040	5,556,297	3,947,743	41.54%
Subtotal	$ 14,236,403	$ 10,252,519	$ 3,983,883	
Subdivision 2 – General Funds				
Public Printing (see Chapter 12)	327,000	243,837	83,163	25.43%
Subdivisions 1 and 2 Gross Total Expenditures	$ 14,563,403	$ 10,496,356	$ 5,468,334	

Funds Returned to State's General Fund

At the end of the biennium, the agency had a remaining gross total of $83,611 in unexpended general fund appropriated dollars. Of this amount, $448 related to the agency's general office operations as appropriated in Subdivision 1 and $83,163 related to public printing as appropriated in subdivision 2.

In addition, as required by the provisions of N.D.C.C. § 54-09-08, the Secretary of State's office transferred $25,137 from its General Services Operating Fund to the state's General Fund. This amount was the un-obligated balance, which was in excess of $75,000, remaining at the end of the biennium in the General Services Operating Fund.

The gross total return by the agency to the state's general fund was $108,748.

Chapter Six (D)

SUMMARY OF REVENUE, APPROPRIATIONS, AND EXPENDITURES - BIENNIAL HISTORY

	1995-1997	1997-1999	1999/2001	2001/2003	2003/2005	2005/2007
REVENUE – General Fund						
Administration	$ 18,170	$ 2,203	$ 2,287	$ 787	$ 78	$ 5,936
Business Registration	2,240,551	2,770,809	3,213,566	3,345,569	3,755,522	4,108,520
Central Indexing UCC/CNS	1,331,659	1,298,898	1,518,001	1,650,205	1,581,727	1,595,530
Licensing	749,093	839,164	820,343	870,743	944,749	1,098,565
Elections	2,816	1,896	1,413	1,856	7,032	6,634
Subtotal	$ 4,342,289	$ 4,912,970	$ 5,555,610	$ 5,869,160	$ 6,289,108	$ 6,815,185
REVENUE – General Services Operating Fund						
Business Registration/Info	0	0	$ 89,596	$ 103,198	$ 115,840	$ 134,290
Central Indexing	0	0	242,245	268,260	284,140	318,229
Licensing	0	0	1,173	410	0	1,926
Elections	0	0	22	0	1,325	0
Subtotal	$ 0	$ 0	$ 333,036	$ 371,868	$ 401,305	$ 454,445
Central Indexing Surcharge	192,057	0	0	0	0	0
Public Printing (General Fund)	64,459	78,162	64,858	36,670	25,832	19,383
Total Revenue	$ 4,598,805	$ 4,991,132	$ 5,953,504	$ 6,277,698	$ 6,716,245	$ 7,289,015
APPROPRIATIONS						
Salaries	$ 1,540,419	$ 1,692,780	$ 1,899,778	$ 2,120,200	$ 2,153,618	$ 2,354,114
Operating Expenses	1,203,200	1,140,190	1,713,490	2,148,290	2,070,226	2,174,561
Capital Assets	0	0	0	0	0	15,000
Equipment	65,000	39,000	84,000	8,445	0	0
Petition Review	14,000	2,000	12,000	12,000	8,000	8,000
Central Indexing System	0	0	0	21,000	0	0
Election Reform	0	0	0	150,000	9,578,364	9,684,728
Subtotal	$ 2,822,619	$ 2,873,970	$ 3,709,268	$ 4,459,935	$ 13,810,208	$ 14,236,403
Presidential Preference	275,000	0	0	0	0	0
Public Printing	421,974	442,000	535,200	502,666	336,000	327,000
Total Appropriations	$ 3,519,593	$ 3,315,970	$ 4,244,468	$ 4,962,601	$ 14,146,208	$ 14,236,403
EXPENDITURES						
Salaries	$ 1,535,163	$ 1,675,050	$ 1,822,738	$ 2,018,802	$ 2,121,564	$ 2,343,512
Operating Expenses	1,117,823	1,124,831	1,642,030	1,880,540	2,020,947	2,174,211
Capital Assets	0	0	0	0	0	14,044
Equipment	63,426	38,514	80,297	8,148	0	0
Petition Review	4,973	949	0	6,127	3,821	4,411
Central Indexing System	0	0	0	21,000	0	0
Election Reform	0	0	0	26,636	4,278,705	5,716,341
Subtotal	$ 2,721,385	$ 2,839,344	$ 3,545,065	$ 3,961,253	$ 8,425,037	$ 10,252,519
Central Indexing Surcharge	191,927	0	0	0	0	0
Presidential Preference	197,650	0	0	0	0	0
Public Printing	363,972	441,954	346,722	416,832	318,082	243,837
Total Expenditures	$ 3,474,934	$ 3,281,298	$ 3,891,787	$ 4,378,085	$ 8,743,119	$ 10,496,356

Chapter Six (E)

Audit

On August 2, 2007, the Office of the State Auditor transmitted to this office the results of a financial and compliance audit for the two-year period ending June 30, 2006. The State Auditor made the following findings and recommendations (both the questions and the auditor's answers (italicized) are quoted direct from the report):

Responses to Legislative Audit and Fiscal Review Committee (LAFRC) Audit Questions

1. What type of opinion was issued on the financial statements? *Financial statements were not prepared by the Secretary of State in accordance with generally accepted accounting standards so an opinion is not applicable. The agency's transactions were tested and included in the state's basic financial statements on which an unqualified opinion was issued.*
2. Was there compliance with statutes, laws, rules, and regulations under which the agency was created and is functioning? *Yes*
3. Was internal control adequate and functioning effectively? *Yes*
4. Were there any indications of lack of efficiency in financial operations and management of the agency? *No*
5. Has action been taken on findings and recommendations included in prior audit reports? *The Secretary of State has implemented all recommendations included in the prior audit report.*
6. Was a management letter issued? If so, provide a summary below, including any recommendations and the management responses. *Yes, a management letter was issued and is included on page 18 of this report, along with management's response (agency note – the recommendation on page 18 of the audit report was related to a few inadvertent entries in the agencies General Ledger. It was agreed to and corrected).*

LAFRC Audit Communications

1. Identify any significant changes in accounting policies, any management conflicts of interest, any contingent liabilities, or any significant unusual transactions. *There were no significant changes in accounting policies, no management conflicts of interest were noted, no contingent liabilities were identified or significant unusual transactions.*
2. Identify any significant accounting estimates, the process used by management to formulate the accounting estimates, and the basis for the auditor's conclusions regarding the reasonableness of those estimates. *The Secretary of State's financial statements do not include any significant accounting estimates.*
3. Identify any significant audit adjustments. *Significant audit adjustments were not necessary.*
4. Identify any disagreements with management, whether or not resolved to the auditor's satisfaction relating to a financial accounting, reporting, or auditing matter that could be significant to the financial statements. *None*
5. Identify any serious difficulties encountered in performing the audit. *None*
6. Identify any major issues discussed with management prior to retention. *This is not applicable for audits conducted by the Office of the State Auditor.*
7. Identify any management consultations with other accountants about auditing and accounting matters. *None*
8. Identify any high-risk information technology systems critical to operations based on the auditor's overall assessment of the importance of the system to the agency and its mission, or whether any exceptions identified in the six audit report questions to be addressed by the auditors are directly related to the operations of an information technology system. *ConnectND Finance, Human Resource Management System (HRMS), and the AS400 (Secretary of State's accounting system) are high-risk information technology systems critical to the Secretary of State.*

Chapter Seven

Administrative/Licensing Division

This division has a multitude of responsibilities and duties. They range from filing documents of the legislature to the licensing and regulation of boxing. The division is also responsible for the accounting functions of the agency. Most of the revenue generated by this division is from the collection of fees related to the issuance of contractor licenses, registration of charitable organization, registration of lobbyists, and the commissioning of notaries. The details of these functions are as follows:

Athletic Commissioner

According to Chapter 53-01 of the North Dakota Century Code, the Secretary of State is the state athletic commissioner and administers matters relating to the regulation of boxing, kickboxing, sparing and, as of July 1, 2005, mixed fighting style competition. The Secretary of State may appoint an athletic advisory boards to assist and advise the athletic commissioner in the performance of the respective duties of the position.

The first state athletic commission was created by the legislature in 1935 with House Bill 213 (1935 Session Laws, Chapter 91). The commission included the Commissioner of Labor and Agriculture, a practicing physician and a practicing attorney appointed by the Governor. Interestingly, the law was specific in stating that not only were the appointees to be citizens of the state, but also of good moral character.

Over the years, the law was changed very little. Then, in 1967, the position of Commissioner of Labor and Agriculture was divided into two separate statewide offices with the Commissioner of Agriculture retaining the duties relating to the athletic commission.

Four years later, in 1971, the Legislative Assembly adopted Senate Bill 2078 and transferred the duties of the athletic commissioner to the Secretary of State and eliminated the three person athletic commission (1971 Session Laws, Chapter 484). However, at the same time, the provisions of the law were such that they did not apply to boxing exhibitions where the net proceeds of the event were devoted to charitable purposes. Consequently, while the law was again modified in 1987 by House Bill 1074 (1987 Session Laws, Chapter 607) and in 1989 by Senate Bill 2184 (1987 Session Laws, Chapter 609), most boxing exhibitions were promoted on behalf of charitable purposes. Therefore, there was no state oversight.

However, that changed in 1991 when major changes were made to the laws governing boxing. In that year, the Fifty-second Legislative Assembly adopted Senate Bill 2411 (1991 Session Laws, Chapter 543), which became effective July 1, 1991. With its passage, the duties of the athletic commissioner became much more defined. The law also allowed for the creation of an athletic advisory board and allowed for a much better response and regulation to the growing boxing activity that was taking place within the state of North Dakota. Since one of the major duties of the athletic commissioner is to ensure the safety of the boxers, the restructured law made those duties easier to administer.

The athletic advisory board has nine members. They are appointed by the Secretary of State and have terms of three years. Each year, three members are newly appointed or re-appointed to the board. This process provides for continuity from year-to-year as the members assist and advise the athletic commissioner.

Revenue from the issuing of licenses is deposited into a special fund as provided for in Section 53-01-09 of the North Dakota Century Code. Licenses are issued to the boxers, referees, judges, corner persons, managers, and promoters. During the 2005-2007 biennium, 174 licenses were issued. The fees collected ranged from $10 for a boxer to $100 for a promoter. The revenue received during the biennium was $ 7,003.18 and the expenditures were $6,854.73.

The following boxing exhibitions were held during the biennium (date, location, and promoter).

September 10, 2005, DECC Arena, Duluth, Minnesota, Horton's Gym, Inc.
December 3, 2005, Fargo Civic, Fargo, Brother's Promotions
March 4, 2006, Fargo Civic, Fargo, Brothers Promotions
April 28, 2006, 4 Bears Casino & Resort, New Town, 4 Bears Casino
March 3, 2007, Prairie Knights Casino, Fort Yates, Dakota Nation's Young Guns Promotions
April 14, 2007, Fargo Civic Center, Fargo, Horton's Gym, Inc.

During the 2005 legislative session, Senate Bill 2356 (2005 Session Laws, Chapter 464) was adopted, which resulted in a significant addition to the duties of the State Athletic Commissioner. The legislation authorized "mixed fighting style competition" and as defined in the law "means an advertised or professionally promoted exhibition or contest for which any type of admission fee is charged and in which the participants who inflict or employ kicks, punches, blows, holds, and other techniques to injure, stun, choke, incapacitate, or disable an opponent. The techniques may include a combination of boxing, kickboxing, wrestling, grappling, or other recognized martial arts." Although legally described as mixed fighting style, the common vernacular reference is mixed martial arts.

The legislation authorized an advisory board, similar in structure to the boxing advisory board, to advise the Athletic Commissioner specifically on mixed fighting style competition. As adopted in the legislations, these competitions could only occur upon adoption of administrative rules. In order to make sure the rules were the very best they could be, a working group of individuals knowledgeable in the sport and the Secretary of State's office drafted the rules over a period of several months. The rules, Chapter 72-02.2-02 of the North Dakota Administrative Code, were approved and became effective on October 1, 2006. The first mixed fighting style event was held on October 7, 2006, in the Bismarck Civic Center.

As with boxing, the revenue from the issuing of licenses is deposited into a special fund as provided for in Section 53-01-09 of the North Dakota Century Code. Licenses are issued to the participants, referees, timekeepers, judges, corner persons, managers, and promoters. During the 2005-2007 biennium, 319 licenses were issued. The revenue received during the biennium was $ 6,255.56 and the expenditures were $6,235.26.

The following mixed fighting styles events were held during the biennium (date, location, and promoter).

October 7, 2006, Bismarck Civic Center, Bismarck, Dakota Fighting Championships
October 28, 2006, Playmakers, Fargo, KO JAG Promotions
December 2, 2006, Fargo Civic Center, Fargo, Dakota Fighting Championships
February 3, 2007, Playmakers, Fargo, KO JAG Promotions
March 24, 2007, Alerus Center, Grand Forks, XS Combat Sports LLC
April 21, 2007, Minot Municipal Auditorium, Minot, Chad Neal Promotions
May 12, 2007, Fargo Civic Center, Fargo, XS Combat Sports LLC

Contractors

Section 43-07-02 of the North Dakota Century Code requires any person who engages in the business or is acting in the capacity of a contractor within the state to first obtain a license from the Secretary of State. This law applies to any single contract or subcontract where the cost, value, or price exceeds the sum of $2,000. Failure to first obtain a contractor's license may result in a referral for criminal prosecution to the State's Attorney in the jurisdiction where the violation was committed.

By law, a contractor is defined as any person who is engaged in the business of construction, repair, alteration, dismantling, or demolition of bridges, highways, road, streets, buildings, airports, dams, drainage or irrigation ditches, sewers, water or gas mains, water filters, tanks, towers, oil, gas or water pipelines, and every other type of structure, project, development, or improvement coming with the definition of real or personal property, including the construction, alteration, or repair of property to be held either for sale or rental, and shall include subcontractor, public contractor, and nonresident contractor.

There are four classes of contractor licenses. A holder of a Class A license is not subject to a limitation as to the value of any single contract project. Class B holders cannot have a single contract on a project having a value in excess of $250,000. For holders of a Class C license, the limit is $150,000 and Class D license are limited to $50,000. New license application fees are Class A $300; Class B $200; Class C $150; Class D $50. There were 7,011 contractor licenses in effect on June 30, 2007.

Contractor licenses must be renewed annually by March 1 of each year. Penalties are assessed if the license is not renewed by the due date. If the license is not renewed within ninety days of the renewal date, a contractor must apply again for a new license. Annual renewal fees are Class A $60; Class B $40; Class C $30; Class D $10.

Charitable Solicitation

Chapter 50-22 of the North Dakota Century Code governs charitable organization soliciting contributions and professional fundraisers. The 2003 Legislative Assembly adopted SB 2341 (2003 Session Laws, Chapter 419), which became state law on July 1, 2003, the beginning of the biennium. Working in collaboration with the Attorney General's office, the bill represented a major re-write and re-formatting of the state's law related to charitable solicitation. A major processing change was the switch from licensing to the registration of charitable organizations. In addition, the bill gave the Attorney General expanded enforcement tools to pursue violators of the law. Unless a charitable organization or professional fundraiser is first registered with the Secretary of State, they may not solicit contributions from persons in North Dakota by any means.

Among other requirements, there is an organization registration fee of $25 and a required financial statement. Annually, the organization must file an annual report, along with a $10 fee, itemizing, among other categories, revenue, management costs, program services, cost of fundraising, names of professional fundraisers, cost of public education, and employee compensation.

Depending on the violation, a person violating the law is guilty of a Class A misdemeanor or a Class C felony, which are in addition to all other causes of action, remedies, and penalties available to the state.

Duties of the State

The office of the Secretary of State has the following duties relating to state functions:

- The office records and retains all books, records, deeds, parchments, maps, and papers deposited with the Secretary of State as mandated in the law;
- The Secretary of State attests the official signature of the Governor upon all executive orders, appointments, and other public instruments and then affixes the Great Seal of the State of North Dakota;
- The office maintains a registry of the official acts of the Governor including proclamations, appointments, executive orders, extraditions, and writs. During the biennium, there were 436 filings of official acts of the Governor;
- The office maintains a record of all conveyances of property made to the state;
- The office files oaths of office and statements of interest of the appointees of the Governor.

For the 2007 Session, the Secretary of State filed 303 legislative bills, originating in the House of Representatives, along with 44 House Concurrent Resolutions, 1 House Memorial Resolutions and 1 filed with Line Veto. There were 264 bills filed, originating in the Senate, along with 33 Senate Concurrent Resolutions, 1 Senate Memorial Resolution and 1 filed with Line Veto. The session convened January 3, 2007, and adjourned April 25, 2007.

Legislative Duties

The office of the Secretary of State has the following legislative duties:

- Retains two sets of the legislative journals of each house, certifies their receipt, and forwards the additional journals as mandated by legislative rule;
- Receives, records, and stores all books, bills, resolutions, documents, and papers of the legislature as provided for in the law;
- Provides members of the Legislative Assembly with all public documents as provided for in the law including the North Dakota Century Code and its supplements, session laws of the last

legislative session, journals of the last legislative session, the North Dakota Administrative Code and its supplements, and the *North Dakota Blue Book* when it is published;

- Provides members of the Legislative Assembly and legislative committees with copies of any public documents on file with the Secretary of State;
- Distribute laws, resolutions, or other documents of the Legislative Assembly;
- Retains the acts and resolutions of the Legislative Assembly until such time the law allows, then transfers to the State Historical Society;
- Performs such other duties as may be assigned by the Legislative Assembly.

Lobbyist Registration

According to Section 54-05.1-03 of the North Dakota Century Code, any person who engages in lobbying must first register with the Secretary of State and be given a distinctive lobbyist identification badge. The state's lobbying laws are all inclusive as to who must register as a lobbyist. Any person who, in any manner whatsoever, directly or indirectly, performs any of the following must register as a lobbyist:

- Attempts to secure the passage, amendment, or defeat of any legislation by the Legislative Assembly or the approval or veto of any legislation by the Governor of the state.
- Attempts to influence decisions made by the Legislative Council or by an interim committee of the Legislative Council.

The registration requirement does not apply to the following individuals. All others must register.

- A legislator.
- A private citizen appearing on his or her own behalf.
- An employee, officer, board member, volunteer, or agent of the state or its political subdivisions whether elected or appointed and whether or not compensated, who is acting in that person's official capacity.
- An invited guest of the chairman of the Legislative Council, an interim committee of the Legislative Council, or a standing committee of the Legislative Assembly to appear before the council, interim committee, or standing committee for the purpose of providing information.
- An individual who appears before a legislative committee for the sole purpose of presenting testimony on behalf of a trade or professional organization or a business or industry if the individual is introduced to the committee by the registered lobbyist for the trade or professional organization or the business or industry.

Each individual registered lobbyist must also file a detailed report including a statement as to each expenditure, if any, of sixty dollars or more expended on any single occasion on any individual, including the spouse or other family member of a member of the legislative assembly or the governor, in carrying out the lobbyist's work or include a statement that no reportable expenditures were made during the reporting period. There is no filing fee if the report is filed after July 1 and on or before August 1. After August 1, a $25 late filing fee is assessed if the report is filed on or before October 1. For reports filed after October 1, the late filing penalty increases to $50.

When registering as a lobbyist, the registrant must give his or her full name, address, and the name and address of each person or persons, corporations, associations, groups, or organizations on whose behalf they will appear. They must also provide a letter of authorization from those they represent.

There were 166 lobbyists registered for the registration year July 1, 2005, to June 30, 2006. They represented 302 organizations. From July 1, 2006, through June 30, 2007, there were 661 lobbyists registered representing 1,043 organizations. The number of registrants is always higher in the annual registration cycle that includes a legislative session, as was the situation in the 2006/2007 cycle.

Notaries Public

Under N.D.C.C., Chapter 44-06, the Secretary of State commissions notaries public. The term of office for a notary is six years unless sooner revoked by the Secretary of State. Notaries may administer oaths and perform all other duties required by law anywhere within the state. A notary public must have the qualifications of an elector as to age and residence. There were 12,168 notary commissions in effect on June 30, 2007. During the biennium, there were 4,376 new or renewal commissions issued. To educate and maintain contact, *Notary Notes* newsletter was mailed to the notaries in December 2006.

Miscellaneous Duties

Absent Persons Mineral or Royalty Interests in Land:
The 1969 Legislative Assembly adopted House Bill 404 (1969 Session Laws, Chapter 331) naming the Secretary of State as the registrar of the post office address of each person who owns mineral, leasehold, or royalty interests in land in North Dakota. Then in 2007, the Legislative Assembly adopted House Bill 1048 (2007 Session Laws, Chapter 312), which transferred the duties of filing the notice and becoming the new office of record to the Recorder of each county in which the person claimed to have a mineral, leasehold, or royalty interest in land within that county.

Apostille:
Most often, an Apostille is issued by the Secretary of State to confirm the commission of notaries public. This certificate is attached to documents intended for use in foreign countries. It certifies the authenticity of the signature and the capacity in which the person signing the document has acted. During the biennium, the Secretary of State completed 1,185 Apostille requests.

Chemical Applicator - Appointment of Agent:
N.D.C.C. § 4-35-11 required all nonresident chemical applicators or dealers to designate the Secretary of State as the agent for service of process in the event of a lawsuit against them. During the biennium, 132 such filings were made with the Secretary of State. Beginning with the 2005/2007 biennium, this filing requirement was moved to North Dakota State University Extension Service (SB 2355, 2005 Session Laws, Chapter 72).

Facsimile Signatures:
Each state official is required to file with the office their signature, certified by that officer under oath, for facsimile purposes in official state business.

International Wills: The office registers and preserves international wills of citizens for later execution and disposition according to law.

Public Meetings: As mandated by N.D.C.C. § 44-04-20, the agency maintains a file of the notices for public meetings held by state agencies, boards, and departments.

Service of Process: The agency completes service of process or legal papers when the following business organizations fail to appoint or maintain a registered office or registered agent: domestic and foreign corporations, nonprofit corporations, cooperative associations, limited partnerships, limited liability partnerships, limited liability limited partnerships, and real estate investment trusts.

The Secretary of State also acts as agent for service of process for out-of-state contractors (N.D.C.C. § 43-07-19), amusements (N.D.C.C. § 53-05-04), building and loan associations (N.D.C.C. § 7-07-02), and geophysical exploration companies (N.D.C.C. § 38-08.1-03). The office maintains a record of all processes, demands, or notices.

Chapter Eight

Central Indexing Division

The Central Indexing System (CIS)
The 1989 Legislative Assembly first studied the Central Indexing System (CIS) after it adopted House Concurrent Resolution 3057 (1989 Session Laws, Chapter 840). The resolution directed the Legislative Council to study state laws relating to state and local filings of liens, security documents, financing statements, and continuation statements.

The study included representatives from livestock auction yards, bankers, other lenders, grain dealers, the North Dakota Association of Counties, the state Information Services Division (now known as the Information Technology Division), and the office of the Secretary of State. The study resulted in the adoption of Senate Bill 2024 (1991 Session Laws, Chapter 449) by the 1991 Legislative Assembly.

The new law mandated the Secretary of State to develop and implement a computerized system, which would store data in a central location for the various documents filed with the Secretary of State or in the office of the county recorder (formerly known as register of deeds – change effective August 1, 2001) located in one of the state's fifty-three counties.

The resulting CIS is not a central filing system. Rather, it's a filing system with a centralized computer database, which allows for the filing and the search of records through a central indexing system. It eliminated the need for multiple or duplicate filings having to be made in several counties in order to perfect a lien. The original documents are retained in the office where the filing was made.

In July 1, 1996, state tax liens were also filed in the CIS and are now perfected statewide as well.

The CIS includes six separate databases in which filing information is maintained and searched. They are the Uniform Commercial Code (UCC) Index; the Farm Products Central Notice (CNS) Index; the Federal Lien Index; the Statutory Lien Index; the Statutory Lien Notice Index; and the State Tax Lien Index.

Central Indexing System - Searches
In addition to allowing the filing of various lien documents in any one of the fifty-four filing locations, the CIS is also of benefit to those persons who need to search the database in order to determine if any liens are recorded against a certain individual or business entity. The filing offices, for a fee, provide this service. When the system was first implemented, the requesters of such information had to contact one of the filling offices to request the information they were seeking. Beginning April 1, 1998, a programming change became effective allowing subscribers direct access through the Internet to conduct their own search of the database.

By paying a one-time registration fee, an annual fee, and a fee for each search, the subscriber is allowed access through the Secretary of State's website at www.nd.gov/sos 24 hours a day, seven days a week. The subscriber is able to select which filing location receives credit for the search fee.

Central Indexing System – Direct Access Filing
Beginning in September 2002, another service was added, which allows subscribers the ability to file Uniform Commercial Code (UCC) documents and Central Notice System (CIS) filing directly into the database through the Internet 24 hours a day, seven days a week. As with searches, subscribers pay a one-time registration fee, an annual fee, and filing fee for each filing submitted. They can also select which one of the fifty-four filing locations receives credit for the filing fee

Uniform Commercial Code (UCC)
The agency's Central Indexing System had it beginnings in 1965 with the adoption of the Uniform Commercial Code (UCC) law by the Legislative Assembly. Senate Bill 60 contained 257 pages and, because of it length, it was not published in the 1965 Session Laws book. The law became effective on July 1, 1966.

The adopted law (N.D.C.C., Chapter 41-09) allowed the Secretary of State to review and process UCC filings and related lien documents. These documents are filed to protect the collateral of secured parties.

UCC documents are primarily used to provide proof of collateral on a variety of personal property. The filing is effective for a period of five years and may be continued within six months prior to the expiration date for another five years. A filing can be amended, assigned, or have part of the collateral released by filing an associated filing. Documents terminating the security lien are filed when the debt is paid in full. Federal Tax Liens are also filed as UCC documents.

In 1991, the UCC law was substantially revised and updated by the Legislative Assembly with the adoption of Senate Bill 2100 (1991 Session Laws, Chapter 448). The 2001 Legislative Assembly made another major revision to the state's UCC laws when it adopted House Bill 1105 (2001Session Laws, Chapter 361). This 97-page bill was introduced at the request of the Commission on Uniform State Laws. Similar legislation was introduced and adopted in all 50 states. The new law changed the requirements for financing statements and the responsibility of filing officers in regard to those documents.

Central Notice System (CNS)

The Central Notice System gives notice of perfected liens filed against the farm products of certain debtors.

In 1985, the United States Congress first debated the provisions of the Food Security Act, which was a part of that year's farm bill. The bill included several provisions and language taken from Article 9 of the UCC law. This was a unique subject for the federal government because it was an area of law considered to be in the realm of state responsibility. The "farm products rule" allowed a creditor, with a security interest in a farmer's crops or livestock, to seek payment from the purchaser of those commodities if the farmer did not pay the creditor. The act approved by Congress allowed states the choice of two options. One option was to create a central filing or notice system. This option, the Central Notice System (CNS) was first discussed by the 1983 Legislature Assembly and ultimately adopted by the 1985 session. On December 16, 1985, the Packers and Stockyards Administration of the United States Department of Agriculture approved the North Dakota CNS as meeting the requirements of the federal law. It is believed that North Dakota may have been as early as the third state in the nation in having its program approved.

Since 1985, the Secretary of State's office has provided subscribers with a Central Notice System Farm Products list, which names the individuals who have given a security interest in a crop or livestock to a lender. To begin with, the list was only made available on a paper printout or microfiche. Then, in July 1998, the information was also made available to customers on a compact disc (CD), which was well received by subscribers. The same information, on July 1, 1999, became available online through the agency's Central Indexing System direct access search option available through the Internet.

Agricultural Statutory Liens

In 1987, the Legislative Assembly authorized the use of an agricultural processor's lien/notice, an agricultural supplier's lien/notice, and agricultural agister's lien/notice. Any person entitled to a lien by statue or otherwise is authorized to file a verified statement with the county recorder (formerly known as register of deeds) or the Secretary of State's office, which together represent the state's 54 filing locations.

Within ninety days, any agricultural processor may file a lien on crops or agricultural products processed by threshing, combining, drying, or harvesting. Agricultural suppliers are allowed to file liens on the crop or product produced with supplied seed, petroleum products, fertilizer, farm chemical, insecticide, feed, hay, pasturage, veterinary services, or in the delivery or applying of such supplies.

Individuals entrusted with the animals by the owner for the purpose of feeding, herding, pasturing, or ranching may file an Agister's Lien upon the animals and are authorized to retain possession of the animals until the amount is paid.

If lien holders intend to impose liability for a lien against a crop or livestock buyer, the lien holder must file a statutory lien notice document in the Central Indexing System. Such liens take precedence over UCC liens (N.D.C.C. § 54-09-10).

As with the CNS, the Secretary of State provides both a microfiche and a compact disc listing of these liens.

Chapter Nine

Business Information/Registration Division

The responsibilities of the Business Division are diversified and involve concentrated workloads at certain periods of the year. Revenue from this division is generated from a variety of fees charged for filings, amendments, reports, lists, and registrations.

Listed below are the forty-four types of entities for which records are filed and maintained by the Business Division. The numbers on file, at the end of the biennium for most of the entities, are listed in the parenthesis following the name of the entity.

1. Airport Authorities
2. Churches (1,372)
3. City Home Rule Charters (110)
4. Cooperatives Domestic Associations (325)
5. Cooperatives Electric Associations (6)
6. Cooperatives Foreign Associations (70)
7. Corporations Certified Nonprofit Development (9)
8. Corporations Domestic Business (13,211)
9. Corporations Domestic Nonprofit (5,795)
10. Corporations Domestic Professional (876)
11. Corporations Farm (703)
12. Corporations Foreign Business (11,903)
13. Corporations Foreign Nonprofit (1,716)
14. Corporations Foreign Professional (117)
15. Corporations Mutual Aid (14)
16. Corporations Venture Capital
17. County Home Rule Charters (5)
18. Credit Unions (36)
19. Fictitious Name Certificates (1,760)
20. Fiduciaries
21. General Partnership Statement
22. Grazing Associations (11)
23. Limited Liability Companies Domestic (4,833)
24. Limited Liability Companies Domestic Professional (65)
25. Limited Liability Companies Farm (94)
26. Limited Liability Companies Foreign (2,975)
27. Limited Liability Companies Foreign Professional (10)
28. Limited Liability Partnerships Domestic (2,092)
29. Limited Liability Partnerships Foreign (44)
30. Limited Liability Partnerships Domestic Professional (25)
31. Limited Liability Partnerships Foreign Professional (9)
32. Limited Partnerships Domestic & Foreign (1,332)
33. Insurance Companies (46)
34. Irrigation Districts (23)
35. Municipal Power Agencies
36. Reserved Names
37. Special Registered Agent Records
38. Soil Conservation Districts (56)
39. State Banks (82)
40. Trademarks (1,511)
41. Trade Names (18,877)
42. Vector Control Districts
43. Water Resource Districts
44. Professional Employer Organization License

The following is a partial listing of some of the entities along with a brief description.

Corporation - Domestic
State law legally recognizes a corporation as an entity having its own rights, privileges, and liabilities that are distinct from the shareholders or members of the corporation. The existence of the corporation begins when articles of incorporation are approved for filing with the office of the Secretary of State or at a later date specified in the articles of incorporation. Corporations are required to file with the Secretary of State an annual report, which is due August 1 of each year.

Corporation – Domestic Publicly Traded
The 60th Legislative Assembly of the State of North Dakota adopted House Bill 1340 (2007 Session Laws, Chapter 102) enabling the North Dakota Publicly Traded Corporations Act, N.D.C.C., Chapter 10-35. This Act only applies to publicly traded corporations created after July 1, 2007, and only if the publicly traded corporation specifically chooses the option. A publicly traded corporation need not incorporate under the provisions of this Act; it may incorporate under, and only be subject to, the provisions of the Business Corporation Act, N.D.C.C. Chapter 10-19.1. In other words, the incorporators have a choice.

Corporation - Foreign
Corporations incorporated in other states or countries are considered foreign corporations. These foreign corporations must first obtain a certificate of authority from the Secretary of State before transacting business in the state of North Dakota, or before obtaining any license or permit prescribed by North Dakota law. To maintain their status, they must file with the Secretary of State an annual report, which is due May 15 of each year.

Limited Liability Company - Domestic and Foreign
Authorized by legislative action in 1993, a limited liability company (LLC) is an entity having its own rights, privileges, and liabilities distinct from the members. Structurally, the limited liability company combines the characteristics of a partnership and a corporation.

The existence of a limited liability company begins when articles of organization have been approved for filing with the Secretary of State or at a later date specified in the articles of organization. As with corporations, limited liability companies must file annual reports with the Secretary of State.

Limited Partnership - Domestic and Foreign
Limited partnerships are created when documents are filed with the Secretary of State. State law legally recognizes a limited partnership as an entity formed by two or more persons having one or more general partners, and one or more limited partners. The general partners have management powers and are responsible for all partnership obligations. Although limited partners may not participate in the day-to-day management operations, they share the liabilities and profits in proportionate share to their contributions.

Limited partnerships may transact any business in North Dakota except banking and insurance. Farming is only allowable if any corporations that may be partners thereof are in compliance with the provisions of North Dakota farming laws. Foreign limited partnerships, which are organized under the laws of other states or countries, must register with the Secretary of State before transacting business in North Dakota.

Both domestic and foreign limited partnerships must file with the Secretary of State an annual report, which is due April 1 of each year.

Limited Liability Limited Partnership – Domestic and Foreign
The Limited Liability Limited Partnership (LLLP) is identical to the traditional limited partnership except that all partners, including the general partner, have limited liability. An LLLP is formed at the time of filing the LLLP registration with the Secretary of State, or at a later date specified in the registration. A LLLP organized under the laws of other states or countries must register with the Secretary of State before transacting business in North Dakota. To maintain their status, they must file with the Secretary of State an annual report, which is due April 1 of each year.

Limited Liability Partnership - Domestic and Foreign
A limited liability partnership (LLP) is an ordinary general partnership acquiring limited liability status upon filing a one-page registration with the Secretary of State. LLP established under another state or country may register with the Secretary of State as foreign limited liability partnerships. Both domestic and foreign LLP must file with the Secretary of State an annual report, which is due April 1 of each year.

Fictitious Partnership Name
A fictitious partnership name is a name used by a partnership that does not include the names of the partners. A partnership identified by a fictitious name must file a fictitious name certificate with the Secretary of State. The certificate must be renewed every five years from the date of the initial filing.

Trademark/Service Mark
A trademark or service mark is a word, symbol, device, or any combination thereof adopted and used by a person or business to distinguish goods or services made or sold from those goods or services made or sold by someone else. The trademark or service mark may be registered with the Secretary of State to establish exclusive right to the mark in North Dakota. The duration of the registration is ten years at which time the registration may be renewed.

Trade Name
According to state law, N.D.C.C. § 47-25-01, a trade name is defined by law to be a name assumed to identify the business or activities of an individual or organization and which does not include in the name the following: (1) the true name of the organization using the name; (2) the first name and surname of each individual using the business name; or (3) the surname of each individual, repeating a surname if more than one owner has the same surname.

Additionally, N.D.C.C. § 47-25-02 states, "A person or organization may not engage in business in this state under a trade name until the trade name is registered with the secretary of state." A trade name registered with the Secretary of State is protected for five years and is renewable. The trade name

registration affords exclusive right to that name so no other business may file or use a name the same as, or deceptively similar. It also creates a public record from which one can identify the principals of a business. The registration fee is $25.

Special Registered Agent Record
Corporations, which are created by federal law, are often empowered to operate in every state without filing for authority from a state agency. However, in some cases, federal law requires the corporation to maintain a registered agent in the states in which it operates. A record of such registered agent must be filed with the Secretary of State.

Fiduciary
A bank or trust company organized and doing business under the laws of any state or territory of the United States may be appointed to serve as a trustee in North Dakota. The bank or trust company may be appointed as trustee for a corporate or personal trust, executor, administrator, guardian for a minor or an incompetent person. The appointment may be by will, deed, court order, decree, or otherwise. Before qualifying or serving in North Dakota in a trust or fiduciary capacity, the bank or trust company must file certain documents with the Secretary of State.

Real Estate Investment Trust
Established by legislative action in 1997, a real estate investment trust is an unincorporated entity. This registration is required of real estate investment trusts established in North Dakota and those established in another state and transacting business in North Dakota. A real estate investment trust is a trust or association formed to acquire, hold, manage, administer, control, invest, or dispose property by trustees for the benefit of any person who may become a shareholder. They must renew their registration every five years from the date of the initial filing.

Professional Employer Organization License
Established by legislative action in 2007, a professional employer organization is a person that is a co-employer and is engaged in the business of providing professional employer services. After October 1, 2007, a person may not provide, advertise, or otherwise hold itself out as providing professional employer services unless the person has obtained a Professional Employer Organization License from the Secretary of State.

Registered Agents Act
The 2007 Legislative Assembly adopted the North Dakota Registered Agents Act with the passage of Senate Bill 2153 (2007 Session Laws, Chapter 99), which becomes effective July 1, 2008. Its adoption was promoted nationwide with North Dakota having the distinction of being the first state to adopt it in the United States. The Act authorizes "commercial registered agents" and places the laws related to registered agents for every type of business entity registered in the Secretary of State's office into one chapter of the Century Code (Chapter 10-01.1). As a result and regardless of the type of business entity structure, it provides uniform procedures and a single reference source without having to consult individual business entity chapters for registered agent provisions.

DIVISION ACCOMPLISHMENTS DURING THE BIENNIUM

Enhanced Business-related Information on Secretary of State's Web Site:

The Secretary of State's website includes a section pertinent to business entities and their registration requirements with the Secretary of State. During the biennium, this section was significantly enhanced to provide:

- Information related to publicly traded corporations
- Information and forms related to Professional Employer Organization licensing
- 2007 legislative summaries

Engaged in the Business Hotline Assistance

The Secretary of State partnered with the Department of Commerce to provide knowledge and expertise regarding extensive business-related issues to existing and potential businesses in the State of North Dakota. The issues relate to a variety of key business issues such as starting, expanding, retaining or relocating a business in the State of North Dakota

Chapter Ten

Elections Unit

According to the North Dakota Century Code, Section 16.1-01-01(1), the Secretary of State is mandated to be the supervisor of elections. In carrying out these duties, the Secretary of State may employ additional personnel. Each county in the state is also required to have a county administrator of elections. By state law (N.D.C.C. § 16.1-01-01(4), that individual is the County Auditor. The County Auditor is then responsible to the Secretary of State for the proper administration within his or her county of the state laws, rules and regulations related to election procedures.

The general mandate of election law is to maintain the integrity of the election process and to always protect the rights of the people as provided for in the constitution and laws of the state of North Dakota. The relatively small revenues generated by this division are primarily derived from filing fees assessed for reports, registrations, and for copies of the public records.

As supervisory, the Secretary of State has the power to examine upon his or her request, or the request of any election official, any election ballot or other material, machine, or device used in connection with any election for determining compliance with the law.

The following is a partial list of duties for the Secretary of State administrating election law:

1. Develop and implement training programs for all election officials in the state.
2. Prepare information for voters on voting procedures.
3. Publish and distribute an election calendar, a manual on election procedures, and a map of all legislative districts.
4. Convene a state election conference of county auditors at the beginning of each election year and whenever deemed necessary by the Secretary of State to discuss uniform implementations of state election policies.
5. Prescribe the form of all ballots and the form and wording of ballots on state referendum questions, issues, and constitutional amendments.
6. Investigate or cause to be investigated the nonperformance of duties or violations of election laws by election officers.
7. Require such reports from county auditors on election matters as deemed necessary.
8. Convene the state canvassing board and certify results of statewide elections.
9. Prepare and publish reports whenever deemed necessary on the conduct and costs of voting in the state, including a tabulation of election returns and such other information and statistics as deemed appropriate.
10. Establish standards for voting precincts and polling locations, numbering precincts, precinct maps, maintaining and updating poll books, and forms and supplies, including but not limited to, ballots, poll books, and reports.
11. Prescribe the order in which each political subdivision will appear on an election ballot.
12. Certify to the county auditors the names of state, district, and county officials to be nominated or elected in the primary, general, or special elections.
13. Receive and file on behalf of candidates for state and congressional positions their nominating petitions, certificates of nomination or certificates of endorsement.
14. Provide certificates of nomination and certificates of election.
15. File oaths of office for state, judicial, and legislative office holders.
16. Examine and certify for use the voting system or counting machines authorized by law.
17. File campaign finance disclosure reports for state, legislative, and district candidates, political action committees, political parties, and measures committees.
18. File oaths of office and statements of interest for the appointees of the Governor.
19. Provide public access to federal election reports of candidates for President of the United States and for congressional office.
20. Create and maintain, in conjunction with the county auditors, North Dakota's Central Voter File.

Help America Vote Act of 2002 (HAVA)

In October 2002, the President signed the Help America Votes Act of 2002 (HAVA) into law. As a result and in order to reflect the needed changes in North Dakota law, the 2003 Legislative Assembly passed Senate Bill 2409 (2003 Session Laws, Chapter 2409). Updates and changes subsequently were made in various additional bills respectively adopted by the 2005 and 2007 Legislative Assemblies.

The first grant of $5,000,000 under HAVA was received in April 2003. This was a direct grant to the state without a requirement for a state match. In July 2004, the state received a second grant of $4,150,000 and in May 2005, the state received a third grant of $7,446,803. The last two grants required verification of a 5% state match before the federal payments were disbursed.

The match for the second grant was spilt 50/50 between the county and the state. The state's share was appropriated from unspent funds from the Secretary of State's 2001/2003 general fund appropriation. The match for the third grant consisted of a $257,970 in-kind contribution approved by the Election Assistance Commission for the state's expenditures towards the Secretary of State's Election Management System with the remaining portion paid by the counties.

At the end of the biennium, Congress has not yet appropriated the last grant due to the states according to the HAVA legislation.

During the 2005/2007 biennium, the Secretary of State and a committee comprised of individuals from political subdivisions, advocates from the disabilities communities, political parties, and other interested groups continued to implement the comprehensive state plan required by HAVA for the improvement of elections in the state of North Dakota. The federal funding received was used to finalize the purchase of new voting equipment for every polling location, develop educational materials for voters, election administrators, and poll workers, improve the accessibility of polling locations, and develop common procedures for election administration across the state. Additionally, a portion of the federal funds was used to develop the Central Voter File (N.D.C.C. Chapter 16.1-02), which is a component of the Election Administration System created to standardize election administration across the state. The deposited funds remaining in the federally mandated election fund (HAVA -107th Congress, Public Law 107-252, Section 245(b)) will be used to supplement the cost of elections in future years. Interest generated by the deposited funds is allowed to remain in the election fund for such purposes.

Information about HAVA is available on the Internet at www.nd.gov/hava/.

Initiative and Referendum

Article III, Section 1, of the North Dakota Constitution states the legislative power of this state shall be vested in a legislative assembly consisting of a Senate and a House of Representatives. The people, however, reserve the power to propose and enact laws and constitutional changes/amendments by the initiative, to approve or reject legislative acts, or parts thereof, by the referendum, and to recall certain elected officials. Laws may be enacted to facilitate and safeguard, but not to hamper, restrict, or impair these powers.

Sections 2 through 6 of Article III provide instructions to the Secretary of State regarding the initiative and referendum process. A pamphlet entitled *Initiating or Referring Law in North Dakota* published by the Secretary of State is available upon request.

Since statehood in 1889 and through the 2006 election cycle, North Dakota's voters have voted on 479 measures placed on the ballot for their consideration. These have included constitutional measures placed by legislative action, initiated constitutional measures, initiated statutory measures, and referred measures.

The majority of measures (231) appearing on the ballot since statehood were constitutional amendments placed there by legislative action. Through the date of this report, the voters have been in favor of 132 (57%) of the measures and have disapproved of 99 (43%) of them.

The second highest in number (132) have been initiated statutory measures placed on the ballot through the circulation of petitions by a sponsoring committee. As of November 2006, the voters had approved 55 (42%) of the measures and had rejected 77 (58%) of them.

Sponsoring committees have been successful in placing 43 initiated constitutional measures on the ballot. As of November 2006, the voters had approved 25 (58%) of them and denied 18 (42%) of them.

The actions of the Legislative Assembly have been referred to a vote of the people 74 times. As of November 2006, the voters rejected legislative action 47 (63%) times and upheld legislative decisions 27 (37%) times.

As the result of the recommendations of the 1972 Constitutional Convention, a special election was held on April 28, 1972, to consider the adoption of a new state constitution. There was a main "proposition" listed on the ballot to adopt the constitution and four alternative propositions if the proposed constitution was approved. However, it was defeated by a vote of 107,643 (63%) to 64,073 (37%).

The following measures were placed on the ballot by the 2005 legislative assembly and voted on during the 2006 election cycle.

Constitutional Amendment
Related to: Definition of militia
SCR 4012 filed with Secretary of State: April 7, 2005
Placed on June 13, 2006, ballot as Constitutional Measure No. 1
The voters approved the measure 72,581 (73.4%) to 26,353 (26.6%).

Constitutional Amendment
Related to: Regulation of corporations and business corporations
HCR 3055 filed with Secretary of State: April 11, 2005
Placed on June 13, 2006, ballot as Constitutional Measure No. 2
The voters approved the measure 70,617 (73%) to 23,812 (27%).

Constitutional Amendment
Related to: Distribution from and management of common schools trust fund and other educational or charitable institution trust funds
HCR 3037 filed with Secretary of State: April 7, 2005
Placed on November 7, 2006, ballot as Constitutional Measure No. 1
The voters approved the measure 128,800 (67.2%) to 62,772 (32.8%)

During the 2005/2007 biennium, Sponsoring Committees submitted and received approval to circulate the following initiated constitutional and statutory measures:

Initiated Constitutional Measure
Relating to: The taking of private property for public use
Petition approved for circulation: September 23, 2005
Signature Submission Date: August 8, 2006, with required number of signatures
Placed on November 7, 2006, ballot as Constitutional Measure No. 2
Voters approved the measure 137,660 (67.5%) to 66,302 (32.5%).

Initiated Statutory Measure
Relating to: Child support and custody
Petition approved for circulation: March 1, 2006
Signature Submission Date: August 8, 2006, with required number of signatures
Placed on ballot for November 7, 2006, election as Statutory Measure No. 3
Voters rejected the measure 118,048 (56.4%) to 91,225 (43.6%).

Number of Statewide Elections and Voter Turnout

During the biennium, there were two statewide elections. The first one, often referred to as the primary election, was held on June 13, 2006, with 565 precincts and a voter turnout of 22.47%. The second one was the general election held on November 7, 2006, with 567 precincts and a voter turnout of 44.5%.

The total cost for conducting the two statewide elections in 2006 was approximately $1,703,316.

Statewide Election (June Primary) – June 13, 2006

Although it is the "final" election for city positions, measures, and often school board positions, the election held in June is commonly known as the Primary election. Appearing on the ballot were a number of offices representing various levels of national, congressional, statewide, district, county, and local government. They were:

Federal	
United States Senator	6-year term
Representative in Congress	2-year term
State Party Offices	
Secretary of State	4-year term
Attorney General	4-year term
Agriculture Commissioner	4-year term
Tax Commissioner	4-year term
Public Service Commissioner	6-year term
Statewide No Party Offices	
Justice of the Supreme Court	10-year term
Judges of the District Courts	6-year term
Legislative Offices	
48 seats in the ND House of Representatives (odd numbered districts)	4-year term
24 seats in the ND Senate (odd numbered districts)	4-year term
County and Multi-County Districts	
County Commissioners	4-year term
Directors, Southwest Water Authorities	4-year term
Directors, Garrison Diversion Conservancy Districts	4-year term
City	
Positions varied depending on form of governance.	

In the June election, there were two measures on the ballot. Both measures were placed on the ballot by legislative action approved during the 2005 Legislative Session.

TITLE OF MEASURE	RESULT	YES	NO
Constitutional Measure No. 1 (SCR 4012)	**Approved**	**72,581**	**26,353**
This measure pertained to the definition of the state militia. (2005 Session Laws, Chapter 622)			
Constitutional Measure No. 2 (HCR 3055)	**Approved**	**70,617**	**26,005**
This measure pertained to the regulation of corporations and business corporations. (2005 Session Laws, Chapter 623)			

Statewide Election (General Election) – November 7, 2006

Appearing on the November General Election ballot were several offices representing various levels of federal, statewide, district, county, and local government. They were:

Federal	
United States Senator	6-year term
Representative in Congress	2-year term
State Party Offices	
Secretary of State	4-year term
Attorney General	4-year term

Agriculture Commissioner	4-year term
Tax Commissioner	4-year term
Public Service Commissioner	6-year term
Statewide No Party Offices	
Justice of the Supreme Court	10-year term
Judges of the District Courts	6-year term
Legislative Offices	
48 seats in the ND House of Representatives (odd numbered districts)	4-year term
24 seats in the ND Senate (odd numbered districts)	4-year term
County and Multi-County Districts	
County Commissioners	4-year term
Supervisor, Soil Conservation District	6-year term
Directors, Garrison Diversion Conservancy Districts	4-year term

In the general election, North Dakota voters voted on three ballot measures. One was placed on the ballot by the 2005 Legislative Assembly and two were placed on the ballot by initiated action (see previous Initiative and Referendum section). The measures and the results of the vote are summarized as follows:

TITLE OF MEASURE	RESULT	YES	NO
Constitutional Measure No. 1	**Approved**	**128,800**	**62,772**
This measure pertained to the distribution from and management of common schools trust fund and other education or charitable institution trust funds. (2005 Session Laws, Chapter 624)			
Initiated Constitutional Measure No. 2	**Approved**	**137,660**	**66,302**
This initiated measure pertained to the taking of private property for public use.			
Initiated Statutory Measure No. 3	**Rejected**	**91,225**	**118,048**
This initiated measure pertained to child support and custody.			

Election Results and Reports

Beginning with the 2000 election cycles through the 2006 election cycles, county-by-county election results have been made available in the Elections section of the Secretary of State's website at www.nd.gov/sos. County-by-county precinct election results for 2004 through 2006 are available from the Elections Unit of the Secretary of State's Office. For precinct election results prior to 2004, the information is available from the County Auditors in each of the state's fifty-three counties.

Printed copies of the Secretary of State's election abstract of votes dating back to the early 1900s are available at no cost. Copies of the official original abstracts of votes, with the signature of the members of the State Canvassing Board, are available for $1 for every four pages or fraction thereof.

All of the various records and filings of the Elections Unit are considered public information. Copies of these records are available at a cost of $1 for every four pages or fraction thereof. They may include but are not limited to Oaths of Office; Statements of Interest; Certificates of Endorsement; Petition/Certificates of Nomination; Affidavits of Candidacy; Certificates of Write-in Candidacy; Political Committee Registrations; Campaign Contribution Statements of Candidate, Political Parties, District Political Committees, Measure Committees; and filings and disclosure reports of federal candidates and various committees including Political Action Committees (PAC).

Campaign Finance Disclosure Reports
Beginning in 2001, copies of the campaign finance disclosure reports filed by political parties, statewide candidates (except federal), legislative candidates, district judicial candidates, political action committees, and measure committees are available on the agency's website at www.nd.gov/sos/campfinance/

Election Statistics
In Chapter 13 (D) of this report, there is a listing of the statewide elections held since 1980 along with the voter turnout, number of precincts, and expenses.

Chapter Eleven

Legislation Adopted by 2007 Legislative Assembly

General Office – Appropriations

Senate Bill 2002 (2007 Session Laws, Chapter 29) – Agency Appropriation

House Bill 1014, Section 30 (2007 Session Laws, Chapter 14, page 55)
- Corrective reduction to agency budget related to retiree health credits

House Bill 1018, Section 18 (2007 Session Laws, Chapter 18, pages 71 and 72)
- Appropriation for Business Development Engine Information Technology Project

House Bill 1340 (2007 Session Laws, Chapter 101, page 517)
- Authorizes the depositing into the agency's general services fund ten percent of the fees received for filing records of a publicly traded corporation under Chapter 10-35 of the Century Code

Senate Bill 2036 (2007 Session Laws, Chapter 384, page 1428)
- Authorizes the depositing into the agency's general services fund the fees received related to Professional Employer Organizations under Chapter 43-55 of the Century Code

Administrative/Licensing Division

House Bill 1201 (2007 Session Laws, Chapter 445)
- Related to State Athletic Commissioner: Provided authorization to collect a fee not exceeding 3 per cent of the gross revenue generated from boxing and mixed fighting styles events

Senate Bill 2158 (2007 Session Laws, Chapter 359)
- Related to Contractors: Made changes to Chapter 43-07 of the Century Code pertaining to licensing and adopted enhanced provisions for consumer protection

Senate Bill 2196 (2007 Session Laws, Chapter 389)
- Related to Notary Publics: Made changes to Chapter 44-06 of the Century Code by clarifying procedures, adding certain prohibited acts and placing disciplinary proceeding in one section

Central Indexing Division

House Bill 1304 (2007 Session Laws, Chapter 298, effective July 1, 2007)
- Relating to certain lien and secured transaction filing fees: Clarification of fees charged by the filing offices.

Senate Bill 2285 (2007 Session Laws, Chapter 300, effective August 1, 2007)
- Relating to notification of debtor of agricultural processor's lien: Added that the filing office shall reject a verified statement unless proof of mailing of notification of the lien to the debtor's last-known address by registered or certified mail with return receipt requested is filed with the statement.

Senate Bill 2350 (2007 Session Laws, Chapter 355, effective August 1, 2007)
- Relating to filing fraudulent and harassing financing statement records and to provide a penalty

Business Registration/Information Division

House Bill 1241 (2007 Session Laws, Chapter 101, effective July 1, 2007)

- House Bill 1241 amended numerous sections of law related to various business entity chapters of the North Dakota Century Code, including the Business Corporation Act in Chapter 10-19.1, the Limited Liability Company Act in Chapter 10-32, the Nonprofit Corporation Act in Chapter 10-33, the North Dakota Uniform Limited Partnership Act in Chapter 45-10.2, Partnerships in General in Chapter 45-13, Limited Liability Partnerships in Chapter 45-22, and Limited Liability Limited Partnerships in Chapter 45-23. While some changes were unique to specific chapters, many of the changes were uniformly adopted in the identified chapters.

The changes to multiple specified chapters include:

- Except for the Nonprofit Corporation Act, definitions were changed or added to include the definitions of "acquiring organization", "articles", "class", "constituent organization", "distribution", "governing body", "originating records", "owners", "ownership interests", "parent", "related organization", "signed", "subsidiary", and "surviving organization"
- A provision was added relating to the reservation of legislative right to amend or repeal provisions of the acts and subjecting any entity created or governed by the act
- Removed all provisions in the specified chapters related to article XII of the Constitution of North Dakota since that constitutional article was repealed in the June, 2006 primary election.
- Except for the Nonprofit Corporation Act, enabled mergers, exchanges, and transfers between any organizations

The changes specific to the Business Corporation Act, Chapter 10-19.1, include:

- N.D.C.C. § 10-19.1-00.1, established the official title of the chapter as the "North Dakota Business Corporation Act"
- N.D.C.C., § 10-19.1-10, enabled a committee to create a subcommittee and delegate any or all of its authority to the subcommittee; made technical corrections to the content of the articles of incorporation; provided that articles of incorporation may be dependent upon facts ascertainable outside of the articles incorporated by referenced documents maintained in the corporate office
- N.D.C.C., § 10-19.1-13, created subsection 10 providing that an amendment which only changes the corporation's name need not be submitted to the shareholders for approval
- N.D.C.C., § 10-19.1-41 changed the procedure for the non-judicial removal of directors and makes clear that a director may be removed with or without cause by the affirmative vote of the majority of the voting power of all shares entitled to vote at an election for directors unless, in the case of a corporation with cumulative voting, there are sufficient votes cast against the removal of the director as required to have elected the director at an election of the entire board under cumulative voting
- A new subsection to N.D.D.C. § 10-19.1-48 enabled a committee to create a subcommittee and delegate any or all of its authority to the subcommittee
- N.D.C.C., § 10-19.1-63, subsection 4 provided that all shares issued are non-assessable unless assessable shares are issued with the unanimous consent of all shareholders.
- N.D.C.C., § 10-19.1-75, subsection 1 enabled a corporation to submit a matter to its shareholders whether or not the board believes the matter to be advisable
- N.D.C.C., § 10-19.1-139.1 provided a new provision for a foreign corporation authorized to transact business within North Dakota to record a conversion transaction with the Secretary of State
- Changes to N.D.C.C., § 10-19.1-146, repealed the financial disclosures on annual reports filed by domestic and foreign corporations
- Changes to N.D.C.C., § 10-19.1-147 standardized the fee to incorporate at $90; standardized the fee for a foreign corporation certificate of authority at $135; eliminated the license fees formerly collected from domestic and foreign corporations

The changes specific to the Limited Liability Company Act, Chapter 10-32, include:

- N.D.C.C., § 10-32-07, enabled a committee to create a subcommittee and delegate any or all of its authority to the subcommittee; made technical corrections to the content of the articles of organization; provided that articles of organization may be dependent upon facts ascertainable outside of the articles of organization and incorporated by reference documents maintained in the corporate office
- N.D.C.C., § 10-32-10, created subsection 9 providing that an amendment which only changes the limited liability company's name need not be submitted to the members for approval
- Added N.D.C.C., § 10-32-42.1 enabling a limited liability company to submit a matter to its members whether or not the board believes the matter to be advisable
- A new subsection to N.D.D.C. § 10-32-85 enabled a committee to create a subcommittee and delegate any or all of its authority to the subcommittee
- Provided that a disposition of substantially all of the property of a limited liability company is not considered to be a merger or defacto merger and that the transferee is not solely liable because it is deemed to be a continuation of the transferor

The changes specific to the Nonprofit Corporation Act, Chapter 10-33, include:

- N.D.C.C. § 10-33-01, subsection 35, changed the definition of subsidiary.
- In N.D.C.C. § 10-33-06:
  - Repealed obsolete text in subsection 2 related to cumulative voting.
  - Added text related to creation of committees and subcommittees in subsection 3
  - In subsection 9, added a new provision allowing the articles of incorporation to be dependent upon facts ascertainable outside of the articles; and to incorporate by reference agreements which copies are maintained in the corporate office.
- In N.D.C.C. § 10-33-10, provided that an amendment to the articles of incorporation, which only changes the corporate name, may be authorized by the board of directors without the approval of the members.
- In N.D.C.C. § 10-33-44, clarified that written action by the members requires at least a majority vote of the voting power entitled to vote on the matter in question.

The changes specific to the Uniform Limited Partnership Act, Chapter 45-10.2, include:

- N.D.C.C., § 45-10.2-27, subsection 1 exempted the annual report as a document requiring filing acknowledgement by the Secretary of State
- N.D.D.C., § 45-10.2-81, enabled the amendment of a foreign limited partnership certificate of authority with the signature of at least one general partner

The changes specific to Limited Liability Partnerships, Chapter 45-22, include:

- N.D.C.C. § 45-22-22, subsection 2, reduced the fee for a certificate certifying a copy or reciting facts from $20 to $15

House Bill 1340 (2007 Session Laws, Chapter 102, effective July 1, 2007)
Established N.D.C.C., chapter 10-35 that affects only publicly traded corporations that choose to be affected

- Exempted existing corporations that publicly-trade their shares and are created under N.D.C.C., chapter 10-10.1
- Provided a new model of corporate governance
- Established terms of directors
- Provided provisions for the election of directors
- Gave qualified shareholders the right to nominate candidates as directors and have the nominations included in the corporation's proxy statement

- Provided reimbursement of expenses to a shareholder for the expenses incurred to conduct a proxy contest for the election of directors to the extent the shareholder is successful
- Included provisions related to regular and special meetings of shareholders
- Provided restrictions on poison pills
- Provided anti-takeover provisions
- Established annual reporting requirements and franchise fees

House Bill 1369 (2007 Session Laws, Chapter 81, effective March 23, 2007)

- House Bill 1369 enabled a general business entity to use the word "bank" or "trust", or words of like import, in their business name if the entity acquires written consent from the Department of Financial Institutions.

House Bill 1452 (2007 Session Laws, Chapter 288, effective August 1, 2007)

- Limited the liability of a charitable organization for money damages for a personal injury or property damage.
- Defined terms related to liability issues.

Senate Bill 2036 (2007 Session Laws, Chapter 384, effective October 1, 2007)

The 60th Legislative Assembly of North Dakota passed legislation that requires professional employer organizations to obtain a license from the Secretary of State. The bill is summarized as follows:

- Provides definitions and general requirements related to professional employer organizations
- Defines the rights, duties and obligations under an employer agreement
- Establishes the licensing requirement
- Provides that a financial statement verified by a certified public accountant be submitted with a license application and be verified no more than 180 days prior to the submission of the application to the Secretary of State
- Requires that the financial statement clearly define the working capital of the professional employer organization.
- Requires submission of a $100,000 surety bond to the Secretary of State by a professional employer organization seeking a license and that does not have a minimum working capital of $100,000
- Provides a complaint process, disciplinary actions and penalties

Senate Bill 2153 (2007 Session Laws, Chapter 99, effective July 1, 2008)

- Removed specific registered agent provisions from chapters of the North Dakota Century Code related to entity formation and governance. The related provisions were consolidated into a new chapter, 10-01.1, of the Century Code titled the North Dakota Registered Agents Act.
- Allowed registered agents to represent their clients in the same manner as they do under current law.
- Allowed for the optional registration of a commercial registered agent serving as a registered agent for numerous entities in North Dakota. When doing so, the name and address of the commercial registered agent is consistently on record for all entities represented by them. If the commercial registered agent moves or undergoes a change of name, a single filing of that change will update the registered agent records for all of the clients they represent.
- Established the duties of a registered agent.
- Enabled entities without a registration requirement with the Secretary of State to voluntarily name a registered agent and establish a public record with the Secretary of State. Examples of these entities are trusts or unincorporated nonprofit organizations.
- Eliminated the filing requirement of the consent of registered agent.

Elections Division

House Bill 1374 – Recounts (2007 Session Laws, Chapter 203)

- Secretary of State to develop the guidelines for recount procedures and this bill replaced the clerk of district court with county recorder on the recount board.

House Bill 1375 – Campaign Finance (2007 Session Laws, Chapter 194)

- Expanded the "public office" definition to cover all persons elected to office by vote, required a political party convention revenue and expense statement, and expanded political committee registration requirements.

House Bill 1376 – Corrupt Election Practices (2007 Session Laws, Chapter 196)

- Added websites to the list of mediums barred from use for false information and prohibited gathering initiated measure signatures at a polling site.

House Bill 1377 – Canvassing Elections (2007 Session Laws, Chapter 202)

- Replaced clerk of district court with county recorded as keeper of ballots following election and updated process for submitting certified abstract of votes to the Secretary of State.

House Bill 1378 – Polling Places (2007 Session Laws, Chapter 188)

- Authorized counties to use vote centers.

House Bill 1379 – Write-in Votes (2007 Session Laws, Chapter 199)

- Replaced clerk of district court with county recorder as keeper of ballots for recounts.

House Bill 1380 – General Procedures for Elections (2007 Session Laws, Chapter 186)

- Increased filing deadlines for special elections, allowed counties to transfer voter records through the central voter file, and provided for a prescribed petition form.

House Bill 1381 – County Offices (2007 Session Laws, Chapter 104)

- Set a single date as start of term of office.

House Bill 1382 – County Filing Date (2007 Session Laws, Chapter 56)

- Increased filing deadlines.

House Bill 1383 – School District Election Precincts (2007 Session Laws, Chapter 170)

- Removed cap on precinct population.

House Bill 1499 – 527 Organizations (2007 Session Laws, Chapter 193)

- Created a campaign finance reporting requirement for these organizations.

Senate Bill 2194 – Recall in a Political Subdivision (2007 Session Laws, Chapter 392)

- Extended the dates for recall elections.

Senate Bill 2230 – Mail Ballot Elections (2007 Session Laws, Chapter 198)

- Allowed counties to conduct all mail elections.

Senate Bill 2231 – President Only Ballot (2007 Session Laws, Chapter 201)

- Added telephone contact information to president only ballot affidavit.

Senate Bill 2232 – Absentee Voting (2007 Session Laws, Chapter 192)

- Standardized ballot preparation times for all elections, aligned state law with federal law for uniformed and overseas voters, and allowed early voting in a public facility with consent of county commission.

Senate Bill 2233 – Voting Systems (2007 Session Laws, Chapter 190)

- Updated ballot initialing process, removed townships from the electronic voting authorization, and reduced the number of postings required in a polling site.

Senate Bill 2234 – Primary Elections (2007 Session Laws, Chapter 197)

- Clarified ballot names, added telephone contact information, added a statement of understanding qualifications by candidates, and allowed electronic poll books.

Senate Bill 2235 – Voting System Security (2007 Session Laws, Chapter 191)

- Provided for a test of the voting system following an election.

Senate Bill 2236 – Municipal Elections (2007 Session Laws, Chapter 350)

- Disallowed simultaneous candidacy for city president/mayor position and council/commission positions, and extended filing deadlines for municipal elections.

Senate Bill 2237 – Central Voter File (2007 Session Laws, Chapter 187)

- Changed designation of protected files in central voter file and refined information required in poll books.

Senate Bill 2238 – Election Officers (2007 Session Laws, Chapter 189)

- Allowed counties to hire election clerks based on their technical skills.

Senate Bill 2239 – General Election Provisions (2007 Session Laws, Chapter 200)

- Removed requirement for voter to disclose disability when requesting assistance.

Chapter Twelve

Public Printing

Public printing relates to publishing the hardbound copies of the North Dakota Century Code (N.D.C.C.) and the state's constitution; N.D.C.C. replacement volumes; N.D.C.C. supplements; the laws of North Dakota as passed by each legislative assembly (commonly known as session laws); the North Dakota Administrative Code and its monthly supplements; the bound copies of the House and Senate journals; binding one set of the enrolled copies of the bills passed by each Legislative Assembly, and a limited number of other publications.

Early in the state's history, the Secretary of State had a very active role as it related to these publications. However, since the establishment in 1945 of the predecessor to today's Legislative Council, the role of the Secretary of State has evolved to that of a distributor of these publications. Now, according to various provisions of Chapter 46-03 of the North Dakota Century Code, the Legislative Council establishes the editorial content, specifications, and contractual arrangements for most of these publications. Nevertheless, even with the Secretary of State's minimal involvement with the contractual process, the legislature appropriates the funding for Public Printing expenditures to the Secretary of State's budget from which they are paid.

In fulfilling the distribution duties provided in state law, the Secretary of State distributes, without cost, the various Public Printing publications to the state's constitutional officers, justices of the supreme court, judges of district courts, state departments, state boards, state agencies, officers of the legislative assembly, county officers, libraries, and schools as directed. Some of the publications are sold to federally funded agencies and direct to the public. Still other copies of the publications are used primarily for archival purposes.

Historically, the appropriation for Public Printing was included in a separate subdivision of the Secretary of State's budget having its own identity. However, beginning with the 1991-1993 biennium, the Legislative Assembly included Public Printing in the Secretary of State's general fund appropriation also used for the agency's general office operations. Unfortunately, the inclusion proved to be very misleading in any analysis of the Secretary of State's budget because it intertwined those portions of the appropriation over which the Secretary of State had direct control for the operations of the agency and those portions of the budget (public printing) where the Secretary of State had very limited control in how the funds were spent.

Fortunately, the 1995 Legislative Assembly acknowledged and recognized the problem. Therefore, beginning again with the 1995-1997 biennium, the Legislative Assembly once again provided Public Printing with its own distinct subdivision within the Secretary of State's budget. Accordingly, the appropriation for Public Printing in this biennial report (Chapter 6 (A)) is separated from those line items that relate directly to the agency's office operations, which are under the direct control of the Secretary of State.

Due to the fact that the Legislative Assembly meets in the last quarter of the biennium and because of the resulting publishing deadlines, a sizeable portion of the funds appropriated for Public Printing are expended during the first quarter of the biennium immediately following the one in which the laws were originated.

Chapter Thirteen (A) (Part 1)

Administration/Licensing Division

Biennial Statistics

ADMINISTRATIVE

Legislative Bills and Resolutions Filed during Biennium

House Bills	303
House Concurrent Resolutions	44
House Bills Filed with Line Veto	1
House Memorial Resolutions	1
Senate Bills	264
Senate Concurrent Resolutions	33
Senate Memorial Resolutions	1
Senate Bills Filed with Line Veto	1

LICENSING

Contractor licenses

Class A new licenses issued	725
Class B new licenses issued	320
Class C new licenses issued	294
Class D new licenses issued	1,079
Total Licenses (effective on June 30, 2007)	7,011
Class A Renewals	4,632
Class B Renewals	1,173
Class C Renewals	1,371
Class D Renewals	4,893
Class A Penalty	448
Class B Penalty	133
Class C Penalty	151
Class D Penalty	675

Lobbyists

Registered 2005/2006	166
Registered 2006/2007	661

Athletic Commission Licenses (issued)

Timekeepers	7
Professional Boxers	62
Referees	9
Judges	14
Corner Persons	74
Promoter	7
Managers	1

Mixed Martial Arts Licenses (issued)

Timekeepers	4
Professional Boxers	114
Referees	10
Judges	18
Corner Persons	168
Promoter	2
Managers	4

Charitable Solicitation

Organizations (licensed)	1,083
Professional Fund-raisers (licensed)	207

Home Inspector (issued)	
New Licenses	42
Renewals	50
Notary Commissions (issued)	4,376
Total Commissions (effective on June 30, 2007)	12,168
Notary Name Changes	196
Notary Certifications Issued	1,292
Apostille (issued)	1,185
Governor's Official Acts (filed)	675

Chapter Thirteen (A) (Part 2)

Administrative/Licensing Division

Seven Biennial Histories

	1995	1997	1999	2001	2003	2005	2007
ADMINISTRATIVE							
Legislative Actions							
House Bills	284	282	278	297	288	344	303
House Concurrent Resolutions	29	39	58	51	58	40	44
House Resolutions	0	0	0	2	0	0	0
House Memorial Resolutions	1	0	1	1	1	1	1
Senate Bills	322	252	284	297	286	225	264
Senate Concurrent Resolutions	59	54	50	41	27	31	33
Senate Resolutions	0	0	0	0	0	0	0
Senate Memorial Resolutions	1	0	1	1	1	1	1
LICENSING							
Contractors *							
Class A	338	475	551	432	484	541	725
Class B	148	272	270	216	196	294	320
Class C	156	242	246	232	202	303	294
Class D	666	1,009	884	807	1,069	1,081	1,079
Licenses (in effective June 30)	4,701	5,238	5,420	5,327	5,587	6,557	7,011
Lobbyists (for biennium)	783	856	840	873	903	897	827
Athletic Commission	317	161	262	193	154	282	174
Charitable Solicitations	559	557	936	772	914	893	1,083
Professional Fund-raisers	81	102	157	197	232	228	207
Notary Commissions	3,823	3,831	4,082	3,954	3,968	4,151	4,376
Total	10,419	11,136	11,541	11,211	11,839	12,011	12,168
Name Changes	98	106	118	123	158	191	196
Notary Certificates	107	180	236	414	668	885	1,292
Apostille (issued)	70	172	243	589	805	1,448	1,185
Governor's Official Acts (filed)	653	573	540	512	502	436	675

* These totals only represent the number of new contractor licenses issued during the biennium.

Chapter Thirteen (B) (Part 1)

Central Indexing System Division

Biennial Statistics

Uniform Commercial Code and Central Notice System

CENTRAL INDEXING SYSTEM (CIS)	
Original Filings	57,414
Associated Filings	25,325
Terminated Filings	39,289
Direct Filings	10,606
Searches (Total)	43.607
Direct Access Searches	31,771
Total Filings in CIS as of June 30, 2007	286,307
Net Transactions with Secretary of State	
Original Filings	23,154
Associated Filings	8,751
Terminations	12,301
Direct Filings	4,211
Searches (Total)	7,913
Direct Access Searches	1,645
Net Transaction with County Recorders	
Original Filings	34,260
Associated Filings	16,574
Terminations	26,988
Direct Filings	6,395
Searches (Total)	35,694
Direct Access Searches	30,126
FARM PRODUCT SUBSCRIBERS	
Microfiche Lists	34
Compact Discs	251
Total Subscribers	285

STATISTICAL ANALYSIS BY TYPES OF FILINGS

CENTRAL INDEXING SYSTEM	
Uniform Commercial Code (UCC)	63,986
Central Notice System (CNS)	943
Combined UCC/CNS	12,273
Statutory Lien/Notices	4,980
Federal Liens	2,228
State Tax Liens	5,223
Total Filings	89,633
Net Filings with Secretary of State	
Uniform Commercial Code (UCC)	29,635
Central Notice System (CNS)	775
Combine UCC/CNS	1,134
Statutory Lien/Notices	1,368
Federal Liens	356
Total Filings	33,268
Net Filings with County Recorders	
Uniform Commercial Code (UCC)	34,351
Central Notice System (CNS)	168
Combined UCC/CNS	11,139
Statutory Lien/Notices	3,612
Federal Liens	1,872
Total Filings	51,142

Chapter Thirteen (B) (Part 2)

Central Indexing System

Seven Biennial Histories

Uniform Commercial Code and Central Notice System

(Biennial history represents only the documents filed with the Secretary of State.)

	1995	**1997**	**1999**	**2001**	**2003**	**2005**	**2007**
Uniform Commercial Code Filings (UCC)	21,204	21.320	20,920	21,833	29,332	33,204	29,635
Central Notice System Filings (CNS)	2,635	1,911	916	1,355	649	466	775
Combined UCC/CNS Filings	1,823	2,069	2,148	1,736	1,787	1,517	1,134
Statutory Lien/Notices	912	1,357	1,622	941	1,271	1,470	1,368
Federal Liens	276	250	198	154	167	225	356
State Tax Liens		5,878	3,328	3,265	3,693	6,323	5,223

Chapter Thirteen (C) (Part 1)

Business Registration/Information Division

Biennial Statistics

(Totals in effect on June 30, 2007)

Domestic Corporations

Profit Corporations	13,211
Cooperatives (reporting)	356
Nonprofit Corporations	5,804
Churches	1,372
Banks	82
Credit Unions	36
Professional Corporations	876
Farm Corporations	703

Foreign Corporations

Profit Corporations	11,903
Cooperatives	70
Nonprofit	1,716
Professional Corporations	117

Limited Liability Companies

Domestic	4,833
Domestic Professional	65
Domestic Farm	94
Foreign	2,975
Foreign Professional	10

Limited Liability Partnerships

Domestic	2,092
Domestic Professional	25
Foreign	44
Foreign Professional	9

Limited Partnerships (Domestic & Foreign)	1,332
Limited Liability Limited Partnerships (Domestic and Foreign)	452
Fictitious Partnership Names	1,760
Trademarks	1,511
Trade Names	18,877

Chapter Thirteen (C) (Part 2)

Business Registration/Information Division

Seven Biennial Histories

	1995	1997	1999	2001	2003	2005	2007
Domestic (in-state)							
Chartered Corporations							
For Profit Corporations	10,734	10,871	11,623	11,675	12,284	12,849	13,211
New Registrations	1,858	1,702	1,745	1,773	1,788	2,033	1,832
Merged Out of Existence	58	65	55	53	63	61	92
Dissolved	1,165	1,185	1,334	1,380	1,411	1,399	1,420
Cooperatives	434	419	409	387	376	354	325
New Registrations	25	23	26	10	6	7	5
Merged Out of Existence	6	1	1	9	6	10	8
Dissolved	152	23	20	36	25	20	25
Nonprofit Corporations	8,735	8,989	9,418	* 5,180	5,610	5,721	5,795
New Registrations	418	345	396	385	387	394	399
Merged Out of Existence	3	4	10	6	2	1	9
Dissolved	25	31	36	3,789	770	289	334
Churches (nonprofit corps)	2,950	3,025	3,150	* 1,370	1,419	1,388	1,372
New Registrations	16	24	24	26	18	28	22
Merged Out of Existence	0	0	0	0	3	22	5
Dissolved	6	4	7	1,699	94	36	37

* The drop in numbers in the nonprofit corporations and churches column for 2001 is the result of legislation which enabled the dissolution of abandoned nonprofit corporations.

State Banks	106	99	96	92	89	84	82
New Registrations	2	2	0	0	0	1	1
Merged Out of Existence	3	11	2	4	3	5	3
Dissolved	2	4	0	0	0	0	1
Credit Unions	48	47	46	42	40	39	36
New Registrations	0	0	0	0	0	0	0
Merged Out of Existence	2	1	1	3	2	1	4
Dissolved	0	0	0	1	0	0	0
Professional Corporations	552	569	646	698	756	825	876
New Registrations	80	90	98	101	122	120	107
Merged Out of Existence	1	0	2	2	0	0	0
Dissolved	40	53	41	48	59	50	56
Farm	499	557	602	623	665	688	703
New Registrations	119	88	41	52	69	56	35
Merged Out of Existence	0	0	0	0	0	0	0
Dissolved	18	15	20	29	26	30	21
Foreign (out-of-state)							
Chartered Corporations							
For Profit Corporations	7,307	8,222	8,594	10,575	10,764	11,304	11,903
New Registrations	3,023	2,697	2,853	2,873	2,547	2,618	2,483
Merged Out of Existence	154	198	257	228	201	165	152
Withdrawn or Revoked	815	1,299	1,665	1,899	2,081	1,909	1,968

Cooperatives	45	48	61	67	73	71	70
New Registrations	10	10	11	12	13	5	8
Merged Out of Existence	0	0	1	1	0	0	2
Withdrawn or Revoked	1	4	2	2	9	6	8
Nonprofit Corporations	562	667	887	872	1,145	1,371	1,716
New Registrations	133	143	287	253	318	339	444
Merged Out of Existence	2	2	1	2	2	0	3
Withdrawn or Revoked	3	7	13	138	170	111	334
Limited Liability Companies (LLC)							
Domestic (in-state) LLC	366	577	1,074	1,542	2,220	3,362	4,833
New Registrations	340	422	552	676	980	1,608	2,044
Merged Out of Existence	0	3	5	3	5	5	6
Dissolved	5	69	159	192	307	438	667
Retired by Conversion	0	0	0	0	0	0	2
Domestic Professional LLC	1	3	5	11	19	35	65
New Registrations	1	4	2	7	13	17	30
Merged Out of Existence	0	0	2	0	0	0	0
Dissolved	0	1	1	1	3	1	4
Domestic Farm LLC	12	19	33	49	60	76	94
New Registrations	14	12	14	19	14	21	21
Merged Out of Existence	0	0	0	0	0	0	0
Dissolved	0	15	1	1	7	6	5
Retired by Conversion	0	0	0	0	0	0	1
Foreign (out-of-state) LLC	62	144	519	939	1,497	2,049	2,975
New Registrations	63	172	373	588	780	959	1,288
Merged Out of Existence	0	0	1	7	13	18	32
Withdrawn or Revoked	1	23	64	146	222	374	410
Foreign Professional (out-of-state) LLC	0	0	0	1	4	9	10
New Registrations	0	0	0	1	5	5	2
Merged Out of Existence	0	0	0	0	0	0	0
Withdrawn or Revoked	0	0	0	0	0	1	3
Limited Liability Partnerships (LLP)							
Domestic LLP	8	434	762	1,063	1,416	1,767	2,092
New Registrations	9	423	428	528	586	646	677
Merged Out of Existence	0	0	0	0	1	2	0
Dissolved/Cancelled	0	3	95	140	203	249	343
Domestic Professional LLP	4	15	15	15	20	20	25
New Registrations	4	13	9	5	4	2	7
Merged Out of Existence	0	0	0	0	0	0	0
Dissolved/Cancelled	0	0	6	6	2	2	2
Foreign LLP	1	7	24	29	49	42	44
New Registrations	1	6	22	15	14	27	66
Merged Out of Existence	0	0	0	0	0	0	1
Withdrawn or Revoked	0	0	3	6	6	10	17
Foreign Professional LLP	0	4	6	8	9	9	9
New Registrations	0	4	5	2	3	0	1
Merged Out of Existence	0	0	0	0	0	0	0
Withdrawn or Revoked	0	0	3	0	0	1	0

Other
Domestic and Foreign (out-of-state)

Limited Partnerships	864	1,099	1,491	1,566	1,528	1,374	1,332
New Registrations.....	332	465	563	436	341	237	291
Merged Out of Existence .	0	0	5	1	2	3	4
Withdrawn or Revoked	56	140	281	227	360	385	239
Limited Liability Limited Partnerships	0	0	0	175	309	384	452
New Registrations.....	4	10	21	175	136	122	106
Merged Out of Existence .	0	0	0	0	0	0	0
Withdrawn or Revoked	0	0	0	1	19	84	47
Fictitious Partnership Names.	1,362	1,863	1,928	1,799	1,543	1,654	1,760
New Registrations.....	480	1,034	485	443	447	525	575
Cancelled/Expired.....	329	398	584	603	705	388	426
Trademarks.....	1,286	1,322	1,324	1,497	1,454	1,493	1,511
New Registrations.....	235	185	228	311	196	250	207
Cancelled/Expired.....	187	176	227	165	175	210	188
Trade Names	3,565	6,735	10,165	12,669	14,686	16,666	18,877
New Registrations.....	1,489	4,254	3,600	4,610	4,447	5,189	5,930
Cancelled/Expired.....	888	757	1,055	2,176	2,345	2,899	2,840

Chapter Thirteen (D)

Elections Division

1980-2006 Histories

YEAR	TYPE	NUMBER OF PRECINCTS	VOTES CAST	POPULATION OF STATE *	ELIGIBLE VOTERS	ABSENTEE VOTERS	PERCENT TURNOUT	ELECTION EXPENSES	COST PER VOTE
1980	P	1,239	139,594	652,717	462,760	NA	30	596,547	4.27
1980	G	1,235	314,525	652,717	462,760	NA	68	752,387	2.39
1982	P	1,229	103,875	670,000	461,700	NA	22	612,419	5.90
1982	G	1,232	272,876	675,000	461,700	NA	64	598,335	2.19
1984	P	1,191	99,230	675,000	470,500	2,684	21	612,329	6.17
1984	G	1,193	324,179	675,000	470,500	19,840	69	667,936	2.06
1986	P	1,166	133,465	684,900	464,100	3,353	29	642,904	4.82
1986	G	1,158	295,277	684,900	464,100	6,371	64	631,640	2.14
1987	S	1,121	123,539	684,900	484,100	1,440	26	359,159	2.91
1988	P	1,096	111,263	667,093	483,000	2,934	23	645,948	5.81
1988	G	1,090	309,100	667,093	483,000	23,508	64	676,336	2.19
1989	S	1,034	257,171	667,093	483,000	10,975	53	517,696	2.01
1990	P	975	133,911	638,800	463,415	NA	29	640,128	4.78
1990	G	991	240,301	638,800	463,415	NA	52	678,340	2.82
1992	P	804	146,867	636,800	463,415	6,810	32	717,090	4.88
1992	G	782	315,199	636,800	463,415	24,369	68	752,128	2.39
1992	S	782	164,165	636,800	461,500	12,986	35	393,988	2.40
1994	P	740	139,961	635,000	463,000	6,771	30	675,862	4.83
1994	G	739	241,255	635,000	463,000	14,857	52	633,877	2.63
1996	PP	53	72,530	641,000	473,000	NA	15	202,716	2.79
1996	P	705	123,131	641,000	473,000	5,926	26	951,580	7.73
1996	G	717	271,861	641,000	473,000	17,970	57	685,452	2.52
1998	P	700	991,576	641,000	474,896	4,315	21	696,188	7.02
1998	G	702	217,584	640,883	475,860	18,263	46	658,785	3.03
2000	P	693	94,306	633,666	473,574	5,102	20	851,473	9.02
2000	G	696	292,249	633,666	473,574	37,632	62	731,220	2.50
2002	P	663	128,519	642,200	481,351	8,194	27	774,285	8.87
2002	G	666	237,224	642,200	481,351	34,816	49	714,212	5.06
2004	P	604	92,209	633,837	487,010	6,019	19	786,146	8.53
2004	G	607	316,049	633,837	487,010	51,116	65	751,160	2.38
2006	P	565	111,325	634,366	495,411	8,702	22	826,998	11.55
2006	G	567	220,479	634,366	495,411	34,073	45	876,318	6.31

* Population estimates calculated by the North Dakota Census Data Center
Key to Type: G = General Election P = Primary Election PP = Presidential Primary Election S = Special Election

Chapter Fourteen

Publications, Books and Pamphlets

The following publications and laws are available from the office of the Secretary of State.

Administrative/Licensing Division

- Charitable Solicitation and Professional Fund-raiser Laws
- Contractor Licensing Laws
- Lobbyist Laws
- Notary Public Laws
- Home Inspectors

- 1989 Session Laws of North Dakota ($38)
- 1991 Session Laws of North Dakota and Supplement ($39)
- 1993 Session Laws of North Dakota ($35)
- 1995 Session Laws of North Dakota ($38)
- 1997 Session Laws of North Dakota ($40)
- 1999 Session Laws of North Dakota ($55)
- 2001 Session Laws of North Dakota ($54)
- 2003 Session Laws of North Dakota ($54)
- 2005 Session Laws of North Dakota ($49)
- 2007 Session Laws of North Dakota ($54)
- Administrative Code - complete set and Supplement ($720)
- Administrative Code - Supplement ($260)

Business Division

Pamphlets

- Limited Liability Company Articles of Organization
- Consolidated Registration for New Businesses
- How to Begin and Maintain a Nonprofit Corporation in the State of North Dakota
- Corporation Act – Nonprofit

Copies of the Law

- Cooperative Association Act
- Corporation Act – Business
- Publicly traded corporations
- Farming – Corporate or Limited Liability Company
- Fictitious Partnership Name
- Registered Agents Act
- Limited Liability Company Act
- Limited Partnership Act
- Limited Liability Partnership
- Limited Liability Limited Partnership
- Professional Associations Act
- Real Estate Investment Trust
- Trademark
- Trade Name

Central Indexing Division

North Dakota Uniform Commercial Code Central Indexing System User's Guide ($15)

Elections Division

- Election Calendar
- *Running for Public Office in North Dakota*
- *Campaign Finance and Disclosure Requirements*
- *Helpful Campaign Practices*
- *Initiating or Referring Law in North Dakota*
- *Recalling an Elected Official of the State or Political Subdivision*
- *North Dakota – The Only State Without Voter Registration*
- *Poll Challengers and Poll Checkers*
- *Election Officials Manual*
- North Dakota Election Law Book ($7)
- Election Abstracts (1914 to 2004 Elections limited supply)

North Dakota Blue Book (prices vary)

- *2005-2007 North Dakota Blue Book*
- *2003-2005 North Dakota Blue Book*
- *2001-2003 North Dakota Blue Book*
- *1999-2001 North Dakota Blue Book*
- *1997-1999 North Dakota Blue Book*
- *1995-1997 North Dakota Blue Book*
- *1889-1989 North Dakota Centennial Blue Book*

Chapter Fifteen

How To Obtain Information or Assistance

Information or answers to questions regarding the office of the Secretary of State and its numerous functions is available by one of the following methods. All inquires and comments are welcomed.

MAILING ADDRESS

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

TELEPHONE AND E-MAIL

GENERAL OFFICE

Telephone Number (701) 328-2900
Toll Free (800) 352-0867
Fax (701) 328-2992
Fax-on-Demand (701) 328-0120
E-Mail Address: sos@nd.gov

ADMINISTRATIVE/LICENSING DIVISION

Telephone (701) 328-3665
Toll Free (800) 352-0867, ext. 8-2900
Fax (701) 328-1610
E-Mail Address: sosadlic@nd.gov

CENTRAL INDEXING DIVISION

Telephone (701) 328-3662
Toll Free (800) 352-0867, ext. 8-3662
Fax (701) 328-4214
E-Mail Address: sosci@nd.gov

BUSINESS INFORMATION/
REGISTRATION DIVISION

Telephone (701) 328-4284
Toll Free (800) 352-0867, ext. 8-4284
Fax (701) 328-2992
E-Mail Address: sosbir@nd.gov

ELECTIONS DIVISION

Telephone (701) 328-4146
Toll Free (800) 352-0867, ext. 8-4146
Fax (701) 328-2992
E-Mail Address: soselect@nd.gov

INTERNET WEBSITE

www.nd.gov/sos

NOTE

Although information filed in the office of Secretary of State is public information, the law does prescribe fees for some copies and services (N.D.C.C. § 54-09-04).