

**Sixty-fifth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 3, 2017**

SENATE BILL NO. 2213  
(Senator Casper)  
(Representative Howe)

AN ACT to amend and reenact subsections 1, 2, and 3 of section 10-31-13 of the North Dakota Century Code, relating to annual reports of professional organizations.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Subsections 1, 2, and 3 of section 10-31-13 of the North Dakota Century Code are amended and reenacted as follows:

1. With respect to a professional organization in the form of a corporation:
  - a. Each corporation incorporated under this chapter shall file with the secretary of state an annual report at the time specified for the filing of the report by chapter 10-19.1 giving the name and residence address of each officer, director, and shareholder of the corporation at the time of filing of the report. With respect to shares, the report must include:
    - (1) A statement of the aggregate number of shares the corporation has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class;
    - (2) A statement of the aggregate number of issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class; and
    - (3) If there are minority owners, a statement of the issued shares, itemized by minority owner and nonminority owner.
  - b. Except as provided under subsection 4, the report must include a statement that all directors and shareholders of voting shares who practice in this state are licensed to render the same specific professional services as those for which the corporation was incorporated. The report must be:
    - (1) Made on a form as prescribed and furnished by the secretary of state;
    - (2) ~~Signed by the president or vice president of the corporation as specified in subsection 2 of section 10-19.1-146;~~ and
    - (3) Accompanied by the filing fee prescribed in ~~chapter 10-19.1~~section 10-19.1-147.
  - c. A copy of the report must be filed at the same time with the regulatory board that licenses the shareholders providing the corporation's professional service. The regulatory board may not charge a filing fee.
  - d. A regulatory board issuing a license under section 10-31-01 shall issue a certificate required in section 10-31-02. The certificate must be on a form prescribed and furnished by the secretary of state. The regulatory board may charge and collect a fee not to exceed twenty dollars per individual certified to be licensed by the regulating board.
2. With respect to a professional organization in the form of a limited liability company:
  - a. Each limited liability company organized under this chapter shall file with the secretary of state an annual report at the time specified for the filing of the report by chapter 10-32.1

giving the name and residence address of all managers, governors, and members of the organization at the time of filing of the annual report.

- b. Except as provided under subsection 4, the report must include a statement that all governors and members holding voting membership interests who practice in this state are licensed to render the same specific professional services as those for which the limited liability company was organized. This report must be:
    - (1) Made on a form as prescribed and furnished by the secretary of state;
    - (2) ~~Signed by the president or vice president of the limited liability company~~as specified in subsection 2 of section 10-32.1-89; and
    - (3) Accompanied by the filing fee prescribed in section 10-32.1-92.
  - c. A copy of the report must be filed at the same time with the regulatory board that licenses the members providing the limited liability company's professional service. The regulatory board may not charge a filing fee.
  - d. A regulatory board issuing a license under section 10-31-01 shall issue a certificate required in section 10-31-02. The certificate must be on a form prescribed and furnished by the secretary of state. The regulatory board may charge and collect a fee not to exceed twenty dollars per individual certified to be licensed by the regulatory board.
3. With respect to a professional organization in the form of a limited liability partnership:
- a. The annual report filed with the secretary of state at the time specified for the filing of the report by chapter 45-22 must include the name and residence address of each partner of the organization at the time of filing of the annual report.
  - b. Except as provided under subsection 4, the annual report must include a statement that each partner holding voting partnership interests who practices in this state is licensed to render the same specific professional services as those for which the limited liability partnership was registered. The annual report must be:
    - (1) Made on a form prescribed and furnished by the secretary of state;
    - (2) ~~Signed by a managing partner of the limited liability partnership~~as specified in subsection 2 of section 45-22-21.1; and
    - (3) Accompanied by the filing fee prescribed in section 45-22-22.
  - c. A copy of the annual report must be filed at the same time with the regulatory board that licenses the partners providing the limited liability partnership's professional service. The regulatory board may not charge a filing fee.
  - d. A regulatory board issuing a license under section 10-31-01 shall issue a certificate required in section 10-31-02. The certificate must be on a form prescribed and furnished by the secretary of state. The regulatory board may charge and collect a fee not exceeding twenty dollars per individual certified to be licensed by the regulating board.

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President of the Senate

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Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-fifth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2213.

Senate Vote:    Yeas 46            Nays 0            Absent 1

House Vote:    Yeas 92            Nays 0            Absent 2

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Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2017.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2017.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2017,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

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Secretary of State