

FIFTY-SEVENTH BIENNIAL REPORT
July 1, 2007 - June 30, 2009



SECRETARY OF STATE
ALVIN A. JAEGER
STATE OF NORTH DAKOTA
600 EAST BOULEVARD AVENUE DEPT 108
BISMARCK ND 58505-0500
(701) 328-2900
sos@nd.gov
www.nd.gov/sos

Table of Contents

ACKNOWLEDGMENTS.....	1
AFFIDAVIT OF SECRETARY OF STATE	2
Chapter One CONSTITUTIONAL, STATUTORY, AND LEGISLATIVE AUTHORITY	3
Chapter Two TERM OF OFFICE AND LISTING OF SECRETARIES.....	4
Chapter Three DUTIES OF OFFICE	5
Chapter Four STATEMENT OF MISSION	6
Chapter Five (A) ORGANIZATION OF OFFICE.....	7
Chapter Five (B) PERSONNEL IN OFFICE	8
Chapter Six (A) APPROPRIATIONS	9
Chapter Six (B) REVENUE.....	11
Chapter Six (C) EXPENDITURES	12
Chapter Six (D) BIENNIAL SUMMARY - APPROPRIATIONS REVENUE EXPENDITURES	13
Chapter Six (E) AUDIT.....	14
Chapter Seven ADMINISTRATIVE/LICENSING UNIT.....	15
Chapter Eight CENTRAL INDEXING SYSTEM UNIT	20
Chapter Nine BUSINESS INFORMATION/REGISTRATION UNITS	23
Chapter Ten ELECTIONS UNIT	27
Chapter Eleven LEGISLATION PASSED BY 2003 LEGISLATIVE ASSEMBLY	33
Chapter Twelve PUBLIC PRINTING	36
Chapter Thirteen (A) STATISTICS - ADMINISTRATIVE/LICENSING UNIT	37
Chapter Thirteen (B) STATISTICS - CENTRAL INDEXING UNIT	40
Chapter Thirteen (C) STATISTICS - BUSINESS INFORMATION/REGISTRATION UNITS	42
Chapter Thirteen (D) SUMMARY OF STATISTICS - ELECTIONS UNIT.....	46
Chapter Fourteen PUBLICATIONS, BOOKS AND PAMPHLETS	47
Chapter Fifteen HOW TO OBTAIN INFORMATION AND ASSISTANCE	48

Acknowledgments

This is the ninth 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, Administrative Staff Officer I, Unit Lead, Central Indexing System Unit; Lee Ann Oliver, Election Specialist, Administrative Staff Officer I, Unit Lead, 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
Secretary of State

Subscribed and sworn to before me this
_____ day of _____, 2009.

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, 2007-2009, and 2009-2011 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 units are as follows:

Administrative/Licensing Unit

Central Indexing System Unit (UCC/CNS)

Business Registration Unit

Business Information Unit

Elections Unit

Information System Unit

Chapter Five (B)

Personnel in Office of the Secretary of State

(As of June 30, 2009)

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

Central Indexing Unit (UCC/CNS)

Tracy Fillbrandt, Unit Lead
Administrative Staff Officer I
Tina Axt
Office Assistant III
Allison Schumacher
Office Assistant III
Ruth Graf
Office Assistant III

Information Systems Unit

Linda G. Gregoryk
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. 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 2007 Legislative Assembly's appropriation for the Secretary of State's office for the 2007/2009 biennium was contained in Senate Bill 2002, Sections 3 and 5, (2007 Session Laws, Chapter 29). The gross total appropriated line items in effect on July 1, 2007, were as follows:

	<u>Amount Appropriated</u>
<u>Subdivision 1</u>	
Salaries and Wages – \$2,637,123 less \$2,630	\$ 2,634,493
Operating Expenses –	2,883,334
Petition Review -	8,000
Election Reform -	5,489,230
BND Loan -	<u>2,920,000</u>
Subtotal for Subdivision 1	\$ 13,935,057
 <u>Subdivision 2</u>	
Public Printing (see Chapter 12).....	<u>303,500</u>
(General Funds – \$ 303,500)	
Gross Spending Authority	\$ <u>14,238,557</u>
Appropriation by Source – General Fund	\$ 5,364,692
Appropriation by Source – General Services Operating Fund	5,489,122
Appropriation by Source – Federal.....	3,384,743
Total Funding by Source.....	\$ <u>14,238,557</u>

Adjustments made to Original Appropriation during Biennium

Adjustment # 1 – On March 20, 2008, the Emergency Commission approved Request # 1661 increasing the spending authority in the General Fund by \$30,263 in the Election Reform line.

Adjustment # 2 – On December 3, 2008, the Emergency Commission approved Request # 1696 increasing the spending authority for Federal Fund by \$97,763 in the operating line and \$67,757 in the salaries line for a total increase of \$165,520.

In addition, there were adjustments for equity pool of \$14,336 to increase the salary line item and movement of \$507 from the salaries line to the election reform line for equity adjustment and insurance credit.

Agency Appropriation after Preceding Adjustments

	<u>Amount Appropriated</u>
 <u>Subdivision 1</u>	
Salaries and Wages.....	\$ 2,716,079
Operating Expenses	2,981,097
Petition Review	8,000
Election Reform	5,520,000
BND Loan	<u>2,920,000</u>
Subtotal for Subdivision 1	\$ 14,145,176
 <u>Subdivision 2</u>	
Public Printing (see Chapter 12).....	<u>303,500</u>
(General Funds – \$303,500)	
Gross Spending Authority	<u>\$ 14,448,676</u>
Appropriation by Source – General Fund	\$ 5,408,676
Appropriation by Source – General Services Operating Fund	5,489,737
Appropriation by Source – Federal.....	3,550,263
Total Funding by Source.....	<u>\$ 14,448,676</u>

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.....	\$	5,141
Business Registration/Information.....		4,674,201
Central Indexing		1,536,360
Elections		18,507
Licensing		<u>1,198,373</u>
Subtotal	\$	7,432,582

General Services Operating Fund Revenue

Business Registration/Information.....	\$	136,085
Central Indexing		361,863
Elections		17,125
Licensing		<u>1,424</u>
Subtotal	\$	516,497

Combined Subtotals \$ 7,949,079

Public Printing (see Chapter 12) \$ 15,728

Subtotal 15,728

Gross Revenue..... \$ 7,964,807

Chapter Six (C)

Expenditures

	<u>Adjusted</u> <u>Appropriation</u>	<u>Expenditures</u>	<u>Balance</u> <u>Remaining</u>	<u>Unspent</u> <u>Percentage</u> <u>of Subtotal # 1</u>
<u>Subdivision 1</u>				
Salaries.....	\$ 2,716,079	\$ 2,691,506	\$ 24,573	0.90%
Operating Expenses	2,981,097	2,966,557	14,540	0.49%
Petition Review.....	8,000	7,795	205	2.56%
Election Reform.....	5,520,000	2,009,364	3,510,636	63.6%
BND Loan.....	2,920,000	0	2,920,000	100%
Subtotal	<u>\$ 14,145,176</u>	<u>\$ 7,675,222</u>	<u>\$ 6,469,954</u>	
Expenditures by Funding Source				
General Funds.....	5,105,176	5,105,176	0	0.0%
Special Funds.....	5,489,737	1,874,193	3,615,544	65.86%
Federal Funds	3,550,263	695,853	2,854,410	80.40%
Subtotal	<u>\$ 14,145,176</u>	<u>\$ 7,675,222</u>	<u>\$ 6,469,954</u>	
 <u>Subdivision 2 – General Funds</u>				
Public Printing (see Chapter 12) ...	<u>303,500</u>	<u>266,465</u>	<u>37,035</u>	12.20%
 Subdivisions 1 and 2				
Gross Total Expenditures	<u>\$ 14,448,676</u>	<u>\$ 7,941,687</u>	<u>\$ 6,506,989</u>	

Funds Returned to State's General Fund

At the end of the biennium, the agency had a remaining gross total balance of \$37,035 in unexpended general fund appropriated dollars. The entire amount related to public printing in subdivision 2.

The gross total return by the agency to the state's general fund was \$37,035.

Chapter Six (D)

SUMMARY OF REVENUE, APPROPRIATIONS, AND EXPENDITURES - BIENNIAL HISTORY

	1997-1999	1999-2001	2001/2003	2003/2005	2005/2007	2007/2009
REVENUE – General Fund						
Administration.....	\$ 2,203	\$ 2,287	\$ 787	\$ 78	\$ 5,936	\$ 5,141
Business Registration	2,770,809	3,213,566	3,345,569	3,755,522	4,108,520	4,674,201
Central Indexing UCC/CNS.....	1,298,898	1,518,001	1,650,205	1,581,727	1,595,530	1,536,360
Licensing	839,164	820,343	870,743	944,749	1,098,565	18,507
Elections	1,896	1,413	1,856	7,032	6,634	1,198,373
Subtotal	<u>\$ 4,912,970</u>	<u>\$ 5,555,610</u>	<u>\$ 5,869,160</u>	<u>\$ 6,289,108</u>	<u>\$ 6,815,185</u>	<u>\$ 7,432,582</u>
REVENUE – General Services Operating Fund						
Business Registration/Info.....	0	\$ 89,596	\$ 103,198	\$ 115,840	\$ 134,290	\$ 136,085
Central Indexing	0	242,245	268,260	284,140	318,229	361,863
Licensing	0	1,173	410	0	1,926	1,424
Elections	0	22	0	1,325	0	17,125
Subtotal	<u>\$ 0</u>	<u>\$ 333,036</u>	<u>\$ 371,868</u>	<u>\$ 401,305</u>	<u>\$ 454,445</u>	<u>\$ 516,497</u>
Public Printing (General Fund)	78,162	64,858	36,670	25,832	19,383	15,728
Total Revenue	<u>\$ 4,991,132</u>	<u>\$ 5,953,504</u>	<u>\$ 6,277,698</u>	<u>\$ 6,716,245</u>	<u>\$ 7,289,015</u>	<u>\$ 7,964,807</u>
APPROPRIATIONS						
Salaries.....	\$ 1,692,780	\$ 1,899,778	\$ 2,120,200	\$ 2,153,618	\$ 2,354,114	\$ 2,716,079
Operating Expenses.....	1,140,190	1,713,490	2,148,290	2,070,226	2,174,561	2,981,097
Capital Assets.....	0	0	0	0	15,000	0
Equipment	39,000	84,000	8,445	0	0	0
Petition Review.....	2,000	12,000	12,000	8,000	8,000	8,000
Central Indexing System	0	0	21,000	0	0	0
Election Reform HAVA.....	0	0	150,000	9,578,364	9,684,728	5,520,000
BND Loan.....	0	0	0	0	0	2,920,000
Subtotal.....	<u>\$ 2,873,970</u>	<u>\$ 3,709,268</u>	<u>\$ 4,459,935</u>	<u>\$ 13,810,208</u>	<u>\$ 14,236,403</u>	<u>\$ 14,145,176</u>
Public Printing.....	442,000	535,200	502,666	336,000	327,000	303,500
Total Appropriations	<u>\$ 3,315,970</u>	<u>\$ 4,244,468</u>	<u>\$ 4,962,601</u>	<u>\$ 14,146,208</u>	<u>\$ 14,563,403</u>	<u>\$ 14,448,676</u>
EXPENDITURES						
Salaries.....	\$ 1,675,050	\$ 1,822,738	\$ 2,018,802	\$ 2,121,564	\$ 2,343,512	\$ 2,691,506
Operating Expenses.....	1,124,831	1,642,030	1,880,540	2,020,947	2,174,211	2,966,557
Capital Assets.....	0	0	0	0	14,044	0
Equipment	38,514	80,297	8,148	0	0	0
Petition Review.....	949	0	6,127	3,821	4,411	7,795
Central Indexing System	0	0	21,000	0	0	0
Election Reform.....	0	0	26,636	4,278,705	5,716,341	2,009,364
BND Loan.....	0	0	0	0	0	0
Subtotal	<u>\$ 2,839,344</u>	<u>\$ 3,545,065</u>	<u>\$ 3,961,253</u>	<u>\$ 8,425,037</u>	<u>\$ 10,252,519</u>	<u>\$ 7,675,222</u>
Central Indexing Surcharge....	0	0	0	0	0	0
Presidential Preference	0	0	0	0	0	0
Public Printing.....	441,954	346,722	416,832	318,082	243,837	266,465
Total Expenditures	<u>\$ 3,281,298</u>	<u>\$ 3,891,787</u>	<u>\$ 4,378,085</u>	<u>\$ 8,743,119</u>	<u>\$ 10,496,356</u>	<u>\$ 7,941,687</u>

Chapter Six (E)

Audit

On August 20, 2009, 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, 2008. 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? *Other than our finding addressing the "Fraud Risk Assessment/Control Activities," we determined internal control was adequate. (agency note – this recommendation had not been mentioned in prior audits and the agency will implement as recommended)*
4. Were there any indications of lack of efficiency in financial operations and management of the agency? *No*
5. 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 20 of this report, along with management's response (agency note – all three of the informal recommendations were agreed to and implemented)*

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 Unit

This division has a multitude of responsibilities and duties. They range from filing documents of the legislature to the regulation of boxing and mixed fighting styles. 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, sparring 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, ringside officials, and promoters. During the 2007-2009 biennium, 242 licenses were issued. The fees collected ranged from \$10 for a boxer to \$100 for a promoter.

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

July 14, 2007, 4-Bears Casino & Resort, New Town, 4-Bears Casino
August 25, 2007, Playmakers, Fargo, Brothers Promotions
October 27, 2007, Prairie Knights Casino, Fort Yates, Dakota Nation's Young Guns Promotions
May 17, 2008, Prairie Knights Casino, Fort Yates, Dakota Nation's Young Guns Promotions
November 22, 2008, 4-Bears Casino & Resort, New Town, Classic Entertainments & Sports Inc
December 6, 2008, Mandan Community Center, Mandan, P.K. Sports Entertainment
June 20, 2009, Prairie Knights Casino, Fort Yates, Dakota Nation's Young Guns Promotions,

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 2007-2009 biennium, 662 licenses were issued.

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

August 11, 2007, Cliff Fode Purpur, Grand Forks, KO Productions
August 25, 2007, Playmakers, Fargo, Brothers Promotions
September 7, 2007, Fargo Civic, Fargo, M.A.X. Fights LLC
October 6, 2007, Bismarck Civic Center, Bismarck, Monte Cox
November 10, 2007, 4-Bears Casino & Resort, New Town, Palace Fighting Championship
January 26, 2008, Fargo Civic, Fargo, M.A.X. Fights LLC
April 26, 2008, Fargo Civic, Fargo, M.A.X. Fights LLC
May 10, 2008, 4-Bears Casino & Resort, New Town, 4-Bears Casino
July 29, 2008, Fargo Civic, Fargo, M.A.X. Fights LLC
September 7, 2008, Dickinson Recreation Center, Dickinson, Pound E'm Productions
October 11, 2008, 4-Bears Casino & Resort, New Town, 4-Bears Casino
October 18, 2008, Raymond Center, Williston, Mad Dog Productions
February 7, 2009, Fargo Civic, Fargo, Dakota Fighting Championships
March 21, 2009, 4-Bears Casino & Resort, New Town, Jon Hegre
March 28, 2009, Dakota Magic Casino, Hankinson, The Cage Inc.
May 9, 2009, Dickinson Recreation Center, Dickinson, Pound E'm Productions
May 30, 2009, Urban Plains Center, Fargo, M.A.X. Fights LLC
June 12, 2009, Dakota Magic Casino, Hankinson, The Cage Inc.

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 7,366 contractor licenses in effect on June 30, 2009.

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 2009 Session, the Secretary of State filed 322 legislative bills, originating in the House of Representatives, along with 39 House Concurrent Resolutions, 1 House Memorial Resolutions and 1 filed with Line Veto. There were 308 bills filed, originating in the Senate, along with 25 Senate Concurrent Resolutions, 1 Senate Memorial Resolution and 4 filed with Line Veto. The session convened January 6, 2009, and adjourned May 4, 2009.

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 197 lobbyists registered for the registration year July 1, 2007, to June 30, 2008. They represented 389 organizations. From July 1, 2008, through June 30, 2009, there were 591 lobbyists registered representing 964 organizations. The number of registrants is always higher in the annual registration cycle that includes a legislative session, as was the situation in the 2008/2009 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 12,330 notary commissions in effect on June 30, 2009. During the biennium, there were 4,467 new or renewal commissions issued. To educate and maintain contact, the *Notary Notes* newsletter was mailed to the notaries in July 2007 and July 2008.

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 1,191 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. 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.

Division Accomplishments During The Biennium

Software Solution for Secretary of State

See page 22

Chapter Eight

Central Indexing System Unit

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 filing 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 its 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 its 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 (2001 Session 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, product, 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 statute 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 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.

Division Accomplishments During The Biennium

Amendment of Federal Food Security Act

To protect the identity of individuals and to match state law regarding the redaction of social security numbers (SSN) and federal identification numbers (FIN), the Secretary of State pursued the amendment of Section 1324 of the Federal Food Security Act of 1985. The purpose of the amendment was to change existing federal law requiring the revealing of the SSN and FIN identifier on the CNS master list distributed to subscribers in the form of electronic media. An existing example was the CD master list described in the previous paragraph and made available each month. Working with Senator Kent Conrad and Secretary of Agriculture, Ed Schafer, an amendment was successfully included in the 2008 Federal Farm Bill, (H.R. 6124, Section 14215, Central Filing System). It allowed for the encryption of the SSN and the FIN on electronic media while still allowing for a search to be conducted by such numbers. Searching by the SSN and the FIN increases accuracy for identifying the correct party while still providing debtor secrecy. The bill became public law on June 18, 2008. The agency began distributing the new encrypted CD in October 2008.

Software Solution for Secretary of State

Beginning in 1993, the Secretary of State's office has been the recipient of a significant increase in the number of documents filed with it each biennium. In large part, this increase was due to the many new business entities it had recommended to the Legislative Assembly for adoption. Having additional business structures from which to choose was a valuable benefit to the state's businesses.

However, along with limited staff resources, the paper-based manual processing methods related to this biennial increase resulted in a significant increase in staff overtime in order to stay current with entity filings, amendments, annual reports, constituent inquiries, and legislative requests. In addition, it became apparent that more and more of the agency's customers were utilizing electronic methods for transacting their business.

It became imperative that an efficient and cost effective solution was needed for both the agency and its customers. Therefore, in May 2008 the Secretary of State issued a request for proposals (RFP) for a web based on-line system tailored specifically to the needs of the agency.

After an extensive evaluation process, the Secretary of State selected a vendor and entered into an agreement for the development of a software system that had robust functionality to streamline the processing of documents; which had the flexibility to easily modify business functions due to legislative and policy changes while maintaining a solid underlying architecture for long term support; and, most importantly, to provide agency customers with an efficient and user friendly method of filing documents and reports online.

Working with the vendor, the agency's team began developing a system pertaining to all administrative, licensing, filings, processing, and associated accounting functions. The finished product will be deployed during the 2009/2011 biennium.

Chapter Nine

Business Information/Registration Unit

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

Listed below are the forty-eight types of entities for which records are filed and maintained by the Business Unit. 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 (1,361)
3. City Home Rule Charters (113)
4. Cooperatives Domestic Associations (318)
5. Cooperatives Electric Associations (6)
6. Cooperatives Foreign Associations (75)
7. Commercial Registered Agent (11)
8. Corporations Certified Nonprofit Development
9. Corporations Domestic Business (13,283)
10. Corporations Domestic Nonprofit (5,925)
11. Corporations Domestic Professional (945)
12. Corporations Domestic Publicly Traded (1)
13. Corporations Farm (712)
14. Corporations Foreign Business (11,815)
15. Corporations Foreign Nonprofit (2,005)
16. Corporations Foreign Professional
17. Corporations Mutual Aid
18. Corporations Venture Capital
19. County Home Rule Charters (5)
20. Credit Unions (34)
21. Fiduciaries
22. Grazing Associations
23. Limited Liability Companies Domestic (6,816)
24. Limited Liability Companies Domestic Professional (98)
25. Limited Liability Companies Farm (131)
26. Limited Liability Companies Foreign (3,917)
27. Limited Liability Companies Foreign Professional (15)
28. Limited Liability Companies Nonprofit
29. Limited Liability Partnerships Domestic (2,536)
30. Limited Liability Partnerships Foreign (72)
31. Limited Liability Partnerships Domestic Professional (26)
32. Limited Liability Partnerships Foreign Professional (14)
33. Limited Partnerships Domestic & Foreign (1,580)
34. Limited Liability Limited Partnerships – Domestic and Foreign (672)
35. Insurance Companies
36. Irrigation Districts
37. Municipal Power Agencies
38. Partnership Fictitious Name Certificates (1,774)
39. Partnership Statement – General
40. Professional Employer Organizations (35)
41. Reserved Names
42. Special Registered Agent Records
43. Soil Conservation Districts
44. State Banks (79)
45. Trademarks (1,505)
46. Trade Names (20,797)
47. Vector Control Districts
48. Water Resource Districts

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

Commercial 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.

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.

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.

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 Liability Company Nonprofit – Domestic and Foreign

The 2009 Legislative Assembly adopted House Bill 1298 (2009 Session Laws, Chapter 106), which included provisions establishing Century Code Chapter 10-36, the Nonprofit Limited Liability Company Act. The nonprofit limited liability company has attributes similar to those of a nonprofit corporation and similar to those of a limited liability company organized for profit in accordance with Century Code Chapter 10-32. Only organizations existing for a nonprofit purpose are allowed to be its members.

The existence of the nonprofit limited liability company begins when articles of organization are filed with the Secretary of State or later on a date specified in the articles of organization. As with all other entities filed with the Secretary of State, the nonprofit limited liability company is required to file an annual report.

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 (LLLLP) is identical to the traditional limited partnership except that all partners, including the general partner, have limited liability. An LLLLP is formed at the time of filing the LLLLP registration with the Secretary of State, or at a later date specified in the registration. A LLLLP 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.

Partnership - Fictitious Name Certificate

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.

Professional Employer Organization (PEO) 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.

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.

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.

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.

Division Accomplishments During The Biennium

Implemented Commercial Registered Agent's Act

After the beginning of the 2007-2009 biennium, the software program was developed to implement the Commercial Registered Agent's Act adopted by the 2007 Legislative Assembly (see entity description on page 23). It required the bringing together of the numerous files of the many different business entities registered with the Secretary of State to accommodate the result of the act. That is, the listing during the biennium of eleven commercial registered agents serving as the registered agent for 15,862 business entities on file with the agency.

Filed the first Corporation – Domestic Publicly Traded

The 2007 Legislative Assembly adopted Chapter 10-35 of the Century Code, creating the North Dakota Publicly Traded Corporations Act (see entity description on page 24). This Act has no equal in the United States. During the biennium, the first publicly traded corporation, American Railcar Industries, Inc., was filed with the Secretary of State.

Professional Employer Organizations (PEO)

It far exceeded projections when the 2007 Legislative Assembly adopted the legislation for the licensing of Professional Employer Organizations (see entity description on page 25). During the biennium, 38 organizations applied for a license, with 35 of them having renewed by the end of the biennium.

Nonprofit Limited Liability Company Act

The Sixty-First Legislative Assembly passed House Bill 1298, which included creation of a new chapter of law entitled Nonprofit Limited Liability Company Act (Century Code, Chapter 10-36). This act provides nonprofit organizations with an option to create a domestic nonprofit limited liability company. Only organizations existing for a nonprofit purpose are allowed to be its members. The chapter also provides authority for an out-of-state nonprofit limited liability company to conduct activities in the State of North Dakota. No such organizations were filed at the end of the biennium.

Software Solution for Secretary of State

See page 22

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 administering 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. The match for the second grant was split 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.

In May 2005, the state received a third grant of \$7,446,803. 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. A fourth grant of \$575,000 was received in September 2008. The required state match of \$30,263 was funded from the state's contingency fund approved by the Emergency Commission on March 14, 2008. The 2009 Legislative Assembly appropriated funds of \$26,316 for the state's share of a fifth grant of \$500,000 scheduled for release during the 2009/2011 biennium.

At the end of the biennium, the entire funds due to the state of \$20,000,000 under HAVA have not been fully appropriated by the United States Congress.

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 2008 election cycle, North Dakota's voters have voted on 484 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 (233) 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 101 (43%) of them.

The second highest in number (135) have been initiated statutory measures placed on the ballot through the circulation of petitions by a sponsoring committee. As of November 2008, the voters had approved 57 (42%) of the measures and had rejected 78 (58%) of them.

Sponsoring committees have been successful in placing 43 initiated constitutional measures on the ballot. As of November 2008, 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 2008, 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 2007 legislative assembly and voted on during the 2008 election cycle.

Constitutional Amendment

Related to: Removing prohibition on appointment of a legislator to an office where the compensation for that position was increased by the legislative assembly during the legislator's term of office
HCR 3016 filed with Secretary of State: April 5, 2007
Placed on June 10, 2008, ballot as Constitutional Measure No. 1
The voters rejected the measure 46,644 (58%) to 35,888 (42%).

Constitutional Amendment

Related to: Oil Tax Trust Fund
HCR 3045 filed with Secretary of State: April 4, 2007
Placed on November 4, 2008, ballot as Constitutional Measure No. 1
The voters rejected the measure 193,111(64%) to 108,748 (36%).

During the 2007/2009 biennium, Sponsoring Committees submitted and received approval to circulate the following initiated constitutional and statutory measures:

Initiated Statutory Measure

Relating to: Corporate and individual income tax rates
Petition approved for circulation: July 19, 2007
Signature Submission Date: July 21, 2008, with required number of signatures
Placed on November 4, 2008, ballot as Statutory Measure No. 2
Voters rejected the measure 210,598 (70%) to 91,412 (30%).

Initiated Statutory Measure

Relating to: Tobacco use prevention and control program
Petition approved for circulation: April 25, 2008
Signature Submission Date: July 28, 2008, with required number of signatures
Placed on ballot for November 4, 2008, election as Statutory Measure No. 3
Voters approved the measure 162,793 (54%) to 139,034 (46%).

Initiated Statutory Measure

Relating to: Workforce Safety and Insurance agency administration regulation
Petition approved for circulation: October 9, 2007
Signature Submission Date: August 5, 2008, with required number of signatures
Placed on ballot for November 4, 2008, election as Statutory Measure No. 4
Voters approved the measure 196,531 (67%) to 96,457 (33%).

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 10, 2008, with 528 precincts and a voter turnout of 20.71%. The second one was the general election held on November 4, 2008, with 528 precincts and a voter turnout of 64.63%.

The total cost for conducting the two statewide elections in 2008 was approximately \$2,060,729.

Statewide Election (June Primary) – June 10, 2008

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

Representative in Congress 2-year term

State Party Offices

Governor and Lt. Governor 4-year term

State Auditor 4-year term

State Treasurer 4-year term

Insurance Commissioner 4-year term

Public Service Commissioner 6-year term

Statewide No Party Offices

Justice of the Supreme Court 10-year term

Justice of the Supreme Court 4-year term

Judges of the District Courts 6-year term (with 2 exceptions)

Superintendent of Public Instruction 4-year term

Legislative Offices

46 seats in the ND House of Representatives (even numbered districts) 4-year term

23 seats in the ND Senate (even 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 was one measure on the ballot. The measure was placed on the ballot by legislative action approved during the 2007 Legislative Session.

<u>TITLE OF MEASURE</u>	<u>RESULT</u>	<u>YES</u>	<u>NO</u>
Constitutional Measure No. 1 (HCR 3016)	Rejected	35,888	48,644
This measure pertained to removing the prohibition on appointing a member of the legislative assembly to an office the compensation was increased by the legislative assembly during the member’s term. (2007 Session Laws, Chapter 583)			

Statewide Election (General Election) – November 4, 2008

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

Federal

President of the United States 4-year term
 Representative in Congress 2-year term

State Party Offices

Governor and Lt. Governor 4-year term
 State Auditor 4-year term
 State Treasurer 4-year term
 Insurance Commissioner 4-year term
 Public Service Commissioner 6-year term

Statewide No Party Offices

Justice of the Supreme Court 10-year term
 Justice of the Supreme Court 4-year term
 Judges of the District Courts 6-year term (with 2 exceptions)
 Superintendent of Public Instruction 4-year term

Legislative Offices

46 seats in the ND House of Representatives (even numbered districts) 4-year term
 23 seats in the ND Senate (even 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 2007 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:

<u>TITLE OF MEASURE</u>	<u>RESULT</u>	<u>YES</u>	<u>NO</u>
Constitutional Measure No. 1 This measure pertained to establishing a permanent oil tax trust fund. (2007 Session Laws, Chapter 584)	Rejected	108,748	193,111
Initiated Statutory Measure No. 2 This initiated measure pertained to state corporate and state income tax rates.	Rejected	91,412	210,598
Initiated Statutory Measure No. 3 This initiated measure pertained to a tobacco use prevention and control program.	Approved	162,793	139,034
Initiated Statutory Measure No. 4 This initiated measure pertained to Workforce Safety and Insurance agency administration regulations.	Approved	196,531	96,457

Election Results and Reports

Beginning with the 2000 election cycles through the 2008 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 2008 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.

Division Accomplishments During The Biennium

After several years of development, the poll books from the state's 53 counties were combined into the Central Voter File showing the voting history of every statewide voter since the 2004 general election.

During the 2008 elections, voters could access the Secretary of State's website for voting information; for the location of the polling location for their residential address; for viewing a personalized routing map from the voter's residence to the polling location; for viewing a ballot specific to their residential precinct; and for tracking their absentee or vote-by-mail ballot.

Successfully implemented in several counties were vote centers, voting-by-mail, and electronic poll books.

Chapter Eleven

Legislation Adopted by 2009 Legislative Assembly

General Office – Appropriations

House Bill 2001 (2009 Session Laws, Chapter 2) effective July 1, 2009 – Agency Appropriation

Administrative/Licensing Unit

House Bill 1530 (2009 Session Laws, Chapter 381) effective August 1, 2009
Related to the filing of a statement of interests by appointees of any elected official

Senate Bill 2322 (2009 Session Laws, Chapter 385) effective August 1, 2009
Related to notaries public

Senate Bill 2363 (2009 Session Laws, Chapter 426) effective August 1, 2009
Related to charitable organizations

Senate Bill 2392 (2009 Session Laws, Chapter 462) effective July 1, 2009
Related to fees pertaining to contractor's, lobbyists, and general office operations

Central Indexing System Unit

Senate Bill 2206 (2009 Session Laws, Chapter 355) effective August 1, 2009
Related to a termination statement

Business Registration/Information Unit

House Bill 1298 (2009 Session Laws, Chapter 106) effective July 1, 2009
House Bill 1298 amended numerous sections of law related to various business entity chapters of the North Dakota Century Code including the Registered Agents Act in Chapter 10-01.1, Cooperative Associations Act in Chapter 10-15, 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, Fictitious Partnership Name in Chapter 45-11, Partnerships in General in Chapter 45-13, Limited Liability Partnerships in Chapter 45-22, Limited Liability Limited Partnerships in Chapter 45-23, and created the Nonprofit Limited Liability Company Act in Chapter 10-36. 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:

- The elimination of extensions for annual report filings.
- Amended definitions of "Notice" and "Organization" to include the nonprofit limited liability company.
- Amended provisions related to amendment of entity name and a subsequent change required if the entity owns a service mark.
- Replaced "telephonic transmission" wherever it appeared in the chapters with "remote communication."
- Modified the provisions related to voting at meetings
- Modified the definition of "special legal counsel"
- Enabled reinstatement of entities within one year after the involuntary termination for failure to report by filing the most recent past-due annual report with the filing and penalty fees for all past-due annual reports and the reinstatement fee.
- Enabled reinstatement of entities with a court order and the most recent past-due annual report with the filing and penalty fees for all past-due annual reports and the reinstatement fee.
- Replaced specific fees for copies within chapters of law related to creation and governance of the various business entities with references to N.D.C.C., § 54-09-04.

The changes specific to the Registered Agents Act in Chapter 10-01.1, include:

- N.D.C.C. §10-01.1-06, enabled a commercial registered agent to file the listing statement under a trade name that has been registered with the Secretary of State.

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

- N.D.C.C. § 10-19.1-10, removed a statutory reference to article XII of the Constitution of North Dakota which was repealed and amended general provisions that govern a business corporation.
- N.D.C.C. § 10-19.1-46, provided that articles of incorporation may confer voting powers upon one or more directors greater than or less than those of other directors.
- N.D.C.C. § 10-19.1-105 through N.D.C.C. § 10-19.1-107, amended provisions related to the dissolution of a corporation.

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

- N.D.C.C., § 10-32-10, amended the name requirements for a limited liability company.
- N.D.C.C., § 10-32-18, amended the requirements of articles of amendment.
- N.D.C.C., § 10-32-39 through N.D.C.C., § 10-32-111, these sections amended provisions related to the dissolution of a limited liability company.

The changes specific to Fictitious Partnership Name, Chapter 45-11 include:

- N.D.C.C., § 45-11-08.2, enabled the Secretary of State to cancel a fictitious partnership name when the registrant has ceased to exist for six months.

Created a new chapter of law entitled Nonprofit Limited Liability Company Act, Chapter 10-36, which includes:

- N.D.C.C., § 10-36-01, cited the statute title to be the Nonprofit Limited Liability Company Act.
- N.D.C.C., § 10-36-02, defined a domestic and a foreign nonprofit limited liability company.
- N.D.C.C., § 10-36-03, referenced applicability of provisions of N.D.C.C., Chapters 10-32 and 10-33 unless other provisions are specifically provided in Chapter 10-36.
- N.D.C.C., § 10-36-04, defined the tax status of a nonprofit limited liability company.
- N.D.C.C., § 10-36-05, limited the membership of a nonprofit limited liability company.
- N.D.C.C., § 10-36-06, empowered the attorney general to the extent empowered in the Nonprofit Corporation Act.
- N.D.C.C., § 10-36-07, provided for an annual report to the Secretary of State.
- N.D.C.C., § 10-36-08, defined the filing fees that may be collected by the Secretary of State.
- N.D.C.C., § 10-36-09, established the appeal and penalty provisions.

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

- N.D.C.C., § 45-10.2-64, amended the rights of a creditor of a partner or transferee.

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

- N.D.C.C. § 45-22-03, subsection 3, requires the names and addresses of all partners on the registration of a limited liability partnership that is engaged in farming or ranching or owns or leases land that is used for farming or ranching.

House Bill 1361 (2009 Session Laws, Chapter 380) effective April 22, 2009

House Bill 1361 amended the licensing provisions for a professional employer organization. A mandatory surety bond replaced the provision requiring a certified financial report.

House Bill 1545 (2009 Session Laws, Chapter 491) effective August 1, 2009

House Bill 1545 provided for a legislative study of a low profit limited liability company.

Senate Bill 2237 (2009 Session Laws, Chapter 216) effective August 1, 2009

Senate Bill 2237 enabled the Secretary of State to develop an online registry for advanced health care directives if funds can be obtained from private sources.

Senate Bill 2282 (2009 Session Laws, Chapter 399, effective August 1, 2009)

- N.D.C.C., § 47-25-03.1, provided for a disclosure filing of franchise names to be filed in the same manner as a trade name registration without name protection afforded to trade names.
- N.D.C.C., § 47-25-06.1, enabled amendment of the nature of business on a trade name registration.
- N.D.C.C., § 47-25-07 enabled the personal representative of a deceased trade name registrant to cancel a trade name registration filed with the Secretary of State

House Resolution 3005 (2009 Session Laws, Chapter 645) signed April 7, 2009

House Resolution 3005 mandated a legislative study of the feasibility of adopting the revised Uniform Limited Liability Company Act advanced by the Uniform Laws Commission.

Elections Unit

House Bill 1271 – County redistricting (2009 Session Laws, Chapter 110)

Amended laws related to the redistricting of county commissioner districts

House Bill 1321 – Irrigation Districts 2009 Session Laws, Chapter 594)

Allows irrigation district to hold mail ballot elections

House Bill 1343 – Polling locations (2009 Session Laws, Chapter 185)

Related to the number of polling locations within a county for elections held by mail

House Bill 1452 – United States House of Representatives (2009 Session Laws, Chapter 186)

Related to federal mandate to hold special election to fill a vacancy in the United States House of Representatives due to a catastrophic circumstance

House Bill 1461 – Early voting (2009 Session Laws, Chapter 183)

Related to polling locations used for early voting and definition of election day

House Bill 1490 – Campaign finance (2009 Session Laws, Chapter 184)

Amended several sections of law pertaining to campaign finance reporting for measures, committee registration, and judicial candidates

Senate Bill 2307 – Presidential caucuses (2009 Session Laws, Chapter 181)

Repealed the provisions related to the holding of presidential preference caucuses

Senate Bill 2319 – Election administration (2009 Session Laws, Chapter 182)

Amended laws relating to absentee voting, mail ballot voting, certificates of nomination by petition for president, wrote-in votes, and certificates of nomination by petition for independent candidates

Senate Bill 2324 – Election administration (2009 Session Laws, Chapter 180)

Amended laws relating to absentee ballot deadlines for schools, initiative petitions, recall petitions, central voter file, political party organization, appointment of election judges and poll clerks, voter affidavits, statement of interests, political advertising disclaimers, certificates of endorsement, candidate petitions, spoiled ballot retention, canvassing boards, recounts, and elections Increased filing deadlines.

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 Unit
Biennial Statistics

ADMINISTRATIVE

Legislative Bills and Resolutions Filed during Biennium	
House Bills	322
House Concurrent Resolutions	39
House Bills Filed with Line Veto	1
House Memorial Resolutions	1
Senate Bills	308
Senate Concurrent Resolutions	25
Senate Memorial Resolutions	2
Senate Bills Filed with Line Veto	4

LICENSING

Contractor licenses	
Class A new licenses issued	889
Class B new licenses issued	259
Class C new licenses issued	341
Class D new licenses issued	1,162
Total Licenses (effective on June 30, 2007)	7,366
Class A Renewals	5,363
Class B Renewals	1,513
Class C Renewals	1,556
Class D Renewals	5,037
Class A Penalty	539
Class B Penalty	150
Class C Penalty	173
Class D Penalty	724
Lobbyists	
Registered 2005/2006	197
Registered 2006/2007	591
Athletic Commission Licenses (issued)	
Timekeepers	7
Professional Boxers	87
Referees	11
Judges	25
Corner Persons	94
Promoter	10
Managers	3
Mixed Martial Arts Licenses (issued)	
Timekeepers	8
Professional Boxers	247
Referees	15
Judges	17
Corner Persons	357
Promoter	11
Managers	3
Charitable Solicitation	
Organizations (licensed)	1,077
Professional Fund-raisers (licensed)	210

Home Inspector (issued)	
New Licenses.....	27
Renewals	67
Notary Commissions (issued).....	4,467
Total Commissions (effective on June 30, 2009).....	12,330
Notary Name Changes.....	201
Notary Certifications Issued	665
Apostille (issued).....	1,191
Governor's Official Acts (filed).....	497

Chapter Thirteen (A) (Part 2)

Administrative/Licensing Unit

Seven Biennial Histories

	1997	1999	2001	2003	2005	2007	2009
<u>ADMINISTRATIVE</u>							
Legislative Actions							
House Bills.....	282	278	297	288	344	303	322
House Concurrent Resolutions	39	58	51	58	40	44	39
House Resolutions	0	0	2	0	0	0	1
House Memorial Resolutions .	0	1	1	1	1	1	1
Senate Bills.....	252	284	297	286	225	264	308
Senate Concurrent Resolutions	54	50	41	27	31	33	25
Senate Resolutions	0	0	0	0	0	0	2
Senate Memorial Resolutions ¹	0	1	1	1	1	1	4
<u>LICENSING</u>							
Contractors *							
Class A	475	551	432	484	541	725	889
Class B	272	270	216	196	294	320	259
Class C	242	246	232	202	303	294	341
Class D.....	1,009	884	807	1,069	1,081	1,079	1,162
* These totals only represent the number of new contractor licenses issued during the biennium.							
Licenses (in effective June 30)	5,238	5,420	5,327	5,587	6,557	7,011	7,366
Lobbyists (for biennium).....	856	840	873	903	897	827	788
Athletic Commission	161	262	193	154	282	174	237
Charitable Solicitations	557	936	772	914	893	1,083	1,077
Professional Fund-raisers	102	157	197	232	228	207	210
Notary Commissions.....	3,831	4,082	3,954	3,968	4,151	4,376	4,467
Total.....	11,136	11,541	11,211	11,839	12,011	12,168	12,330
Name Changes	106	118	123	158	191	196	201
Notary Certificates.....	180	236	414	668	885	1,292	665
Apostille (issued).....	172	243	589	805	1,448	1,185	1,191
Governor's Official Acts (filed)	573	540	512	502	436	675	497

Chapter Thirteen (B) (Part 1)

Central Indexing System Unit

Biennial Statistics

Uniform Commercial Code and Central Notice System

<u>CENTRAL INDEXING SYSTEM (CIS)</u>	
Original Filings.....	56,018
Associated Filings	25,073
Terminated Filings.....	44,915
Direct Filings.....	11,393
Searches (Total).....	39,463
Direct Access Searches	30,439
Total Filings in CIS as of June 30, 2009.....	282,615
Net Transactions with Secretary of State	
Original Filings.....	23,451
Associated Filings	9,548
Terminations.....	16,406
Direct Filings.....	2,547
Searches (Total).....	8,022
Direct Access Searches	3,100
Net Transaction with County Recorders	
Original Filings.....	32,567
Associated Filings	15,525
Terminations.....	28,509
Direct Filings.....	8,846
Searches (Total).....	31,441
Direct Access Searches	27,339
<u>FARM PRODUCT SUBSCRIBERS</u>	
Microfiche Lists.....	17
Compact Discs	272
Total Subscribers	289

STATISTICAL ANALYSIS BY TYPES OF FILINGS

<u>CENTRAL INDEXING SYSTEM</u>	
Uniform Commercial Code (UCC).....	63,820
Central Notice System (CNS).....	603
Combined UCC/CNS.....	11,106
Statutory Lien/Notices	3,647
Federal Liens.....	2,413
State Tax Liens	5,703
Total Filings	87,292
Net Filings with Secretary of State	
Uniform Commercial Code (UCC).....	31,381
Central Notice System (CNS).....	405
Combine UCC/CNS.....	1,045
Statutory Lien/Notices	928
Federal Liens.....	402
Total Filings	34,161
Net Filings with County Recorders	
Uniform Commercial Code (UCC).....	32,439
Central Notice System (CNS).....	198
Combined UCC/CNS.....	10,061
Statutory Lien/Notices	2,719
Federal Liens.....	2,011
Total Filings	47,428

Chapter Thirteen (B) (Part 2)

Central Indexing System Unit

Seven Biennial Histories

Uniform Commercial Code and Central Notice System

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

	1997	1999	2001	2003	2005	2007	2009
Uniform Commercial Code Filings (UCC)	21,320	20,920	21,833	29,332	33,204	29,635	31,381
Central Notice System Filings (CNS)	1,911	916	1,355	649	466	775	405
Combined UCC/CNS Filings	2,069	2,148	1,736	1,787	1,517	1,134	1,045
Statutory Lien/Notices	1,357	1,622	941	1,271	1,470	1,368	928
Federal Liens	250	198	154	167	225	356	402
State Tax Liens	5,878	3,328	3,265	3,693	6,323	5,223	5,703

Chapter Thirteen (C) (Part 1)

Business Registration/Information Unit

Biennial Statistics

(Totals in effect on June 30, 2009)

Domestic Corporations

Profit Corporations.....	13,283
Publicly Traded Corporations.....	1
Cooperatives (reporting).....	318
Nonprofit Corporations.....	5,925
Churches.....	1,361
Banks.....	79
Credit Unions.....	34
Professional Corporations.....	945
Farm Corporations.....	712

Foreign Corporations

Profit Corporations.....	11,815
Cooperatives.....	75
Nonprofit.....	2,005
Professional Corporations.....	124

Limited Liability Companies

Domestic.....	6,818
Domestic Professional.....	98
Domestic Farm.....	131
Foreign.....	3,917
Foreign Professional.....	15

Limited Liability Partnerships

Domestic.....	2,536
Domestic Professional.....	26
Foreign.....	72
Foreign Professional.....	14

Limited Partnerships (Domestic & Foreign)..... 1,580

Limited Liability Limited Partnerships
(Domestic and Foreign)..... 672

Partnership Fictitious Name Certificates..... 1,774

Trademarks..... 1,505

Trade Names..... 20,797

Chapter Thirteen (C) (Part 2)

Business Registration/Information Unit

Seven Biennial Histories

	1997	1999	2001	2003	2005	2007	2009
Domestic (in-state)							
Chartered Corporations							
For Profit Corporations	10,871	11,623	11,675	12,284	12,849	13,211	13,283
New Registrations	1,702	1,745	1,773	1,788	2,033	1,832	1,689
Merged Out of Existence.	65	55	53	63	61	92	44
Dissolved	1,185	1,334	1,380	1,411	1,399	1,420	1,509
Publicly Traded Corporation	0	0	0	0	0	0	1
Cooperatives.....	419	409	387	376	354	325	318
New Registrations	23	26	10	6	7	5	11
Merged Out of Existence.	1	1	9	6	10	8	4
Dissolved	23	20	36	25	20	25	14
Nonprofit Corporations	8,989	9,418	* 5,180	5,610	5,721	5,795	5,925
New Registrations	345	396	385	387	394	399	433
Merged Out of Existence.	4	10	6	2	1	9	9
Dissolved	31	36	3,789	770	289	334	305
Churches (nonprofit corps)	3,025	3,150	* 1,370	1,419	1,388	1,372	1,361
New Registrations	24	24	26	18	28	22	23
Merged Out of Existence.	0	0	0	3	22	5	3
Dissolved	4	7	1,699	94	36	37	32

* 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	99	96	92	89	84	82	79
New Registrations	2	0	0	0	1	1	1
Merged Out of Existence.	11	2	4	3	5	3	4
Dissolved	4	0	0	0	0	1	0
Credit Unions	47	46	42	40	39	36	34
New Registrations	0	0	0	0	0	0	0
Merged Out of Existence.	1	1	3	2	1	4	2
Dissolved	0	0	1	0	0	0	0
Professional Corporations	569	646	698	756	825	876	945
New Registrations	90	98	101	122	120	107	114
Merged Out of Existence.	0	2	2	0	0	0	0
Dissolved	53	41	48	59	50	56	47
Farm	557	602	623	665	688	703	712
New Registrations	88	41	52	69	56	35	61
Merged Out of Existence.	0	0	0	0	0	0	1
Dissolved	15	20	29	26	30	21	22

	1997	1999	2001	2003	2005	2007	2009
Foreign (out-of-state)							
Chartered Corporations							
For Profit Corporations	8,222	8,594	10,575	10,764	11,304	11,903	11,815
New Registrations	2,697	2,853	2,873	2,547	2,618	2,483	2,753
Merged Out of Existence.	198	257	228	201	165	152	189
Withdrawn or Revoked	1,299	1,665	1,899	2,081	1,909	1,968	1,878
Retired by Conversion	0	0	0	0	0	0	4
Cooperatives.....	48	61	67	73	71	70	75
New Registrations	10	11	12	13	5	8	11
Merged Out of Existence.	0	1	1	0	0	2	0
Withdrawn or Revoked	4	2	2	9	6	8	3
Nonprofit Corporations	667	887	872	1,145	1,371	1,716	2,005
New Registrations	143	287	253	318	339	444	433
Merged Out of Existence.	2	1	2	2	0	3	2
Withdrawn or Revoked	7	13	138	170	111	334	158
Limited Liability Companies (LLC)							
Domestic (in-state) LLC.....	577	1,074	1,542	2,220	3,362	4,833	6,818
New Registrations	422	552	676	980	1,608	2,044	2,897
Merged Out of Existence.	3	5	3	5	5	6	5
Dissolved	69	159	192	307	438	667	942
Retired by Conversion	0	0	0	0	0	2	1
Domestic Professional LLC ...	3	5	11	19	35	65	98
New Registrations	4	2	7	13	17	30	41
Merged Out of Existence.	0	2	0	0	0	0	0
Dissolved	1	1	1	3	1	4	10
Domestic Farm LLC.....	19	33	49	60	76	94	131
New Registrations	12	14	19	14	21	21	47
Merged Out of Existence.	0	0	0	0	0	0	0
Dissolved	15	1	1	7	6	5	13
Retired by Conversion	0	0	0	0	0	1	1
Foreign (out-of-state) LLC	144	519	939	1,497	2,049	2,975	3,917
New Registrations	172	373	588	780	959	1,288	1,599
Merged Out of Existence.	0	1	7	13	18	32	40
Withdrawn or Revoked	23	64	146	222	374	410	698
Retired by Conversion	0	0	0	0	0	0	4
Foreign Professional	0	0	1	4	9	10	25
(out-of-state) LLC							
New Registrations	0	0	1	5	5	2	15
Merged Out of Existence.	0	0	0	0	0	0	0
Withdrawn or Revoked	0	0	0	0	1	3	0

	1997	1999	2001	2003	2005	2007	2009
Limited Liability Partnerships (LLP)							
Domestic LLP	434	762	1,063	1,416	1,767	2,092	2,536
New Registrations	423	428	528	586	646	677	653
Merged Out of Existence .	0	0	0	1	2	0	0
Dissolved/Cancelled.....	3	95	140	203	249	343	400
Domestic Professional LLP ...	15	15	15	20	20	25	26
New Registrations	13	9	5	4	2	7	1
Merged Out of Existence .	0	0	0	0	0	0	0
Dissolved/Cancelled.....	0	6	6	2	2	2	0
Foreign LLP	7	24	29	49	42	44	22
New Registrations	6	22	15	14	27	66	23
Merged Out of Existence .	0	0	0	0	0	1	0
Withdrawn or Revoked	0	3	6	6	10	17	4
Foreign Professional LLP	4	6	8	9	9	9	14
New Registrations	4	5	2	3	0	1	2
Merged Out of Existence .	0	0	0	0	0	0	0
Withdrawn or Revoked	0	3	0	0	1	0	1
Other – Domestic and Foreign (out-of-state)							
Limited Partnerships	1,099	1,491	1,566	1,528	1,374	1,332	1,580
New Registrations.....	465	563	436	341	237	291	254
Merged Out of Existence .	0	5	1	2	3	4	8
Withdrawn or Revoked	140	281	227	360	385	239	256
Limited Liability Limited Partnerships.....	0	0	175	309	384	452	672
New Registrations.....	10	21	175	136	122	106	169
Merged Out of Existence .	0	0	0	0	0	0	1
Withdrawn or Revoked	0	0	1	19	84	47	42
Partnership Fictitious Names .	1,863	1,928	1,799	1,543	1,654	1,760	1,774
New Registrations.....	1,034	485	443	447	525	575	616
Cancelled/Expired.....	398	584	603	705	388	426	540
Trademarks	1,322	1,324	1,497	1,454	1,493	1,511	1,505
New Registrations.....	185	228	311	196	250	207	188
Cancelled/Expired.....	176	227	165	175	210	188	192
Trade Names	6,735	10,165	12,669	14,686	16,666	18,877	20,797
New Registrations.....	4,254	3,600	4,610	4,447	5,189	5,930	7,396

Chapter Thirteen (D)

Elections Unit

1980-2008 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
2008	P	528	102,886	639,715	496,906	14,846 ¹	20	1,036,309	17.92
2008	G	528	321,133	639,715	496,906	5,966 ²	64	1,024,420	5.55
						30,690 ³			
						46,534 ⁴			

Key: G = General Election; P = Primary Election; PP = Presidential Primary; Election S = Special Election

* Population estimates calculated by the North Dakota Census Data Center

¹Ballots cast in 22 vote-by-mail counties; ²Ballots cast in remaining 31 counties; ³Ballots cast in 21 vote-by-mail counties; ⁴Ballots cast in remaining 32 counties

Chapter Fourteen

Publications, Books and Pamphlets

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

Administrative/Licensing Unit

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

- 1999 Session Laws of North Dakota
- 2001 Session Laws of North Dakota
- 2003 Session Laws of North Dakota
- 2005 Session Laws of North Dakota
- 2007 Session Laws of North Dakota (\$54)
- Administrative Code - complete set and Supplements (\$720)
- Administrative Code – Annual Supplement (\$260)

Business Unit

Pamphlets

- Limited Liability Company Articles of Organization
- Consolidated Registration for New Businesses
- Corporation Act – Nonprofit

Copies of the Law for the following Entities

- Cooperative Association Act
- Commercial Registered Agents Act
- Corporation Act – Business
- Corporation Act – Farm
- Corporation Act – Publicly Traded
- Fictitious Partnership Name
- Limited Liability Company Act
- Limited Liability Company – Farm
- Limited Liability Company Act – Nonprofit
- Limited Partnership Act
- Limited Liability Limited Partnership
- Limited Liability Partnership
- Partnership Fictitious Name Certificates

- Professional Employer Organizations
- Professional Associations Act
- Real Estate Investment Trust
- Trade Name
- Trademark

Central Indexing System Unit

None

Elections Unit

- *Campaign Finance and Disclosure Requirements*
- *College Student Voters*
- Election Abstracts
(1914 to 2008 elections, limited supply)
- Election Calendar
- *Election Officials Manual*
- *Helpful Campaign Practices*
- *Initiating or Referring Law in North Dakota*
- North Dakota Election Law Book
- *North Dakota – The Only State Without Voter Registration*
- *Political Party Organization and Related Statutes*
- *Poll Challengers and Poll Checkers*
- *Recalling an Elected Official of the State or Political Subdivision*
- *Recount Guidelines*
- *Running for Public Office in North Dakota*

North Dakota Blue Book (prices vary)

- *2009-2011 North Dakota Blue Book*
- *2007-2009 North Dakota Blue Book*
- *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 through by one of the following sources. 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 UNIT

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

CENTRAL INDEXING SYSTEM UNIT

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 UNIT

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

ELECTIONS UNIT

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).