

21ST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

Session, 2019

H. B. 21- 19

A BILL FOR AN ACT

To repeal and reenact 4 CMC §4263(a) to impose a higher fee structure for the Department of Commerce, Office of the Registrar of Corporations; and for other purposes.

**BE IT ENACTED BY THE TWENTY-FIRST NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** The Legislature finds that the existing
2 fee structure for the Office of the Registrar of Corporations under the Department
3 of Commerce, which was first established pursuant to Public Law 10-07, was
4 officially amended and restructured pursuant to Executive Order No. 97-03. Upon
5 the enactment of the specified Executive Order in January 1998, the Office of the
6 Registrar of Corporations was mandated to transfer from the Office of the Attorney
7 General to the Department of Commerce. The lateral transfer was put into effect in
8 May 2003. The Legislature is cognizant that there have been a couple of attempts
9 to amend the fee structure, namely in House Bill 15-123 and House Bill 16-216.
10 Both attempts were unsuccessful in being signed into law and the fee structure has
11 remained stagnant since the enactment of Executive Order No. 97-03.

1 The Legislature also finds that since the enactment of the aforementioned
2 Executive Order in 1998, there has been an immense influx of corporations into our
3 beloved Commonwealth. Cognizant of the technological advances that have taken
4 place since 1998, the need to amend the current fee structure and earmarking a
5 certain percentage to the Department of Commerce will allow for it to expand its
6 workforce and enhance their record keeping capabilities will prove to provide more
7 effective and efficient services to our thriving corporations in the long run. The vast
8 increase in the number of corporations leads to an increase in demand for a more
9 sophisticated filing system that can be used to process and electronically access
10 pertinent documents in the future to provide for both the needs of the Department
11 and their clients.

12 Therefore, the purpose of this Act is to repeal and reenact 4 CMC §4263(a)
13 to impose a higher fee structure for the Department of Commerce, Office of the
14 Registrar of Corporations and to earmark a certain percentage to the Department to
15 provide the necessary funds they need to carry out their duties and responsibilities.

16 **Section 2. Repeal and Reenact.** 4 CMC §4263(a) is hereby repealed and
17 re-enacted to read as follows:

18 “(a) The following fees shall be paid to the Department of Finance
19 and proof of payment delivered to the Registrar of Corporations when the
20 documents described in this subsection are delivered for filing:

21 (1) \$250 Articles of Organization (LLC.);

- 1 (2) \$250 Articles of Incorporation;
- 2 (3) \$250 Application for Reinstatement following
- 3 Administrative Dissolution;
- 4 (4) \$250 Application for Certificate of Authority for Foreign
- 5 Corporation;
- 6 (5) \$50 Application for Amended Certificate of Authority
- 7 for Foreign Corporation;
- 8 (6) \$30 Non-Profit Corporation (Petition, Charter &
- 9 Bylaws);
- 10 (7) \$100 Registration of Partnership;
- 11 (8) \$100 Amended Articles of Organization;
- 12 (9) \$100 Amended Articles of Incorporation;
- 13 (10) \$100 Restated Articles of Incorporation;
- 14 (11) \$50 Articles of Dissolution/Termination;
- 15 (12) \$100 Articles of Merger or Share Exchange;
- 16 (13) \$50 Articles of Revocation of Dissolution;
- 17 (14) \$100 Annual & Initial Corporation Report for:
- 18 Domestic, Foreign & Partnership, LLC.;
- 19 (15) \$50 Application for Certificate of Withdrawal;
- 20 (16) \$25 Articles of Correction;

1 (17) \$200 Service of Process served the Registrar of
2 Corporations;

3 (18) \$50 Any other document required or permitted to be
4 filed by §4263 such as bylaws affidavit, minutes, resolution,
5 Amendment annual report & amendment, by-law, operating
6 agreement, stocks, resignation as Director/ President/ Vice
7 President/Secretary/Treasurer/etc.;

8 (19) \$10 Non-Profit Corporation Report, Initial;

9 (20) \$50 Application for Certificate of Existence or
10 Authorization or Good Standing;

11 (21) \$50 Registered Agent Form

12 (22) \$10 Agent's statement of: change of registered office or
13 resignation;

14 (23) \$50 Application for Reservation of Name, Notice of
15 Transfer of Reserved Name,;

16 (24) \$50 Application for Registered Name, Application for
17 Renewal of Registered Name;

18 (25) \$25 Corporation's statement of change of registered
19 agent or registered office or both;

20 (26) \$20 For Certificate or Certification of Document; \$1.00
21 for additional page for copying (Acct. No. 1300-62300);

1 (27) \$100 Annual Subscription for the Commonwealth
2 Register; and (Acct. No. 7745-45570);

3 (28) \$30 Postage fee for the Commonwealth Register (Acct.
4 No. 1170-62250);

5 (29) \$5 Per document, i.e., Articles of Inc., Bylaws, Annual
6 Reports (uncertified copies), \$1.00 per copy of each additional
7 attachments;

8 (30) \$150 Expedited Service fee, business organization
9 document filing (fulfilled within 1 business day);

10 (31) \$150 Expedited Service fee, certified research request,
11 i.e., certification requests of documents (fulfilled within 1 business
12 day);

13 (32) \$250 Penalty for documents received after March 1st,
14 i.e., Initial Reports, Annual Reports;

15 (33) \$10 Per day for Annual Reports received after March
16 2nd (in addition to \$250 Penalty for late filing);

17 (34) \$75 Penalty for late filing on Non-Profit Corporation
18 Report, Annual & Minutes; and

19 (34) \$5 Per day for Non-Profit Annual Reports received after
20 March 2nd (In addition to \$75 Penalty for late filing).”

1 **Section 3. Amendment.** 4 CMC §4263 is amended by adding a new
2 subsection (b) to read as follows and the CNMI Law Revision Commission shall
3 renumber the remaining subsections accordingly:

4 “(b) The Secretary of Finance shall establish a separate account,
5 Commerce Registrar of Corporation Account, and shall deposit 75% of the
6 fees collected pursuant to 4 CMC §4263(a) without fiscal year limitation.
7 The Secretary of Commerce shall be the expenditure authority.”

8 **Section 4. Severability.** If any provision of this Act or the application of
9 any such provision to any person or circumstance should be held invalid by a court
10 of competent jurisdiction, the remainder of this Act or the application of its
11 provisions to persons or circumstances other than those to which it is held invalid
12 shall not be affected thereby.

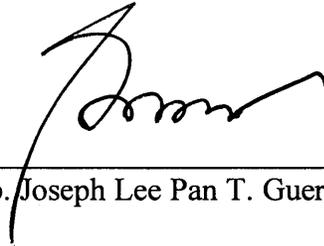
13 **Section 5. Savings Clause.** This Act and any repealer contained herein
14 shall not be construed as affecting any existing right acquired under contract or
15 acquired under statutes repealed or under any rule, regulation or order adopted
16 under the statutes. Repealers contained in this Act shall not affect any proceeding
17 instituted under or pursuant to prior law. The enactment of this Act shall not have
18 the effect of terminating, or in any way modifying, any liability civil or criminal,
19 which shall already be in existence at the date this Act becomes effective.

20 **Section 6. Effective Date.** This Act shall take effect upon its approval by
21 the Governor or upon its becoming law without such approval.

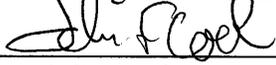
Prefiled: 2/13/19

Date: 2/12/19

Introduced by:


Rep. Joseph Lee Pan T. Guerrero

Reviewed for Legal Sufficiency by:


House Legal Counsel