

Recent Changes at the Minnesota Secretary of State

By John Levesque

The Minnesota Secretary of State (SOS) has undergone quite a few changes as of late that are noteworthy. In early December they modernized the Minnesota business & lien system portal (MBLS) website, made changes to how over-the-counter filings are processed, and changed how service of process is accepted.

The previous MBLS was showing its age and could be finicky at times – a replacement was very much in order. The new MBLS allows for more online filings, made numerous user interface improvements, and allows a user to search for prior business names. As a frequent user of the MBLS to locate corporate information I have found the user interface and usability improvements have made a large difference in making the MBLS an even more useful tool. There is a new function by which you can include prior business names in your search, previously you had to know the name of the new entity from which you could then obtain any prior names, it was less than helpful and reminded me of a contradiction from my youth of being told to obtain the proper spelling of a word by looking it up in the dictionary. The MBLS also now allows for the bulk filing of UCC documents which will save volume UCC filers a substantial quantity of time.

In conjunction with the modernization to the MBLS the SOS also made some back office changes that affect how business is transacted over the counter. There are two very notable changes, both of which are substantial improvements over the prior processes. In the past when filing a document, a new LLC filing for example, it would be handed over the counter and all you would receive in return was a receipt or a stamped copy if you requested it and brought an extra copy. The copy they accepted would eventually find its way into the computer system and a certificate would be mailed back along with the original document.

With the new procedure, the whole process is completed immediately. So, in the case of our new LLC, the certificate would be created immediately, the document stamped and a printed transaction record pro-

vided. This provides a greater sense of certainty to the filer and allows them the ability to transact business even more rapidly.

The trajectory for service of process is much the same. Previously two copies would be handed over the counter and in return you would receive a half sheet acknowledgement with the name of the entity handwritten along with the statute number it was being accepted under. At a later time the paperwork was more formally accepted, the SOS would mail a copy to the entity being served, and return a more detailed acknowledgement of service. The new procedure still requires two copies, but now the service is processed immediately and one of the copies is mailed to the subject entity while you wait at the counter, in return you receive the formal acknowledgement of service immediately. While these improvements entail spending more time at the counter to finalize a transaction the benefits are clear and taken as a whole the new procedures implemented by the SOS are a benefit.

It probably will not come as a shock that as a service provider that handles numerous over-the-counter filings on a daily basis we have some concerns about the length of time we spend at the counter. We have been evaluating internally how long the transactions are taking. In the beginning, it was taking significantly longer to complete a transaction in comparison with the previous process. We are however pleased to see that after a short ramp-up period all is essentially back to normal in regards to the time spent at the counter. While it is still time consuming to make the visit in person the end result has been improved and we are now able to return to our clients an actual certificate for a new entity within a few short hours of their desire to file a new entity and subsequent request for us to process the transaction in person.

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