

HB 406-FN - AS INTRODUCED

2025 SESSION

25-0850

07/05

HOUSE BILL ***406-FN***

AN ACT relative to the formation of fraudulent businesses.

SPONSORS: Rep. Bay, Straf. 21; Rep. Grill, Hills. 18; Rep. Hunt, Ches. 14; Rep. Burroughs,
Carr. 2; Sen. Fenton, Dist 10

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill:

- I. Establishes a registry of registered agents for New Hampshire businesses.
- II. Allows corporations to restate their articles of incorporation.
- III. Enables the secretary of state to verify and prevent fraudulent business formations.
- IV. Creates penalties for individuals who fraudulently formulate businesses.

The bill is a request of the secretary of state.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to the formation of fraudulent businesses.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Registered Agents Listed in New Hampshire Business Registry. Amend RSA 5
2 by inserting after section 15-c the following new section:

3 5:15-d Registered Agents Listed in New Hampshire Business Registry.

4 I. The following requirements apply to any registered agent required to be appointed by law
5 for any corporation, limited liability company, limited liability partnership, limited partnership, or
6 any other business formation or entity required to be registered with the secretary of state:

7 (a) If the agent is a natural person, the person shall be 18 years of age or older and be a
8 resident of New Hampshire during all such times as the person is named as agent. The secretary
9 may require proof that:

10 (1) The name of the agent provided is the legal name of the person appointed agent;

11 (2) The residential address provided is the agent's primary residence; and

12 (3) The business address is the usual place of business of the agent.

13 II. If the agent is another registered business entity, such entity shall be in good standing
14 with the secretary of state. For the purposes of this section, "good standing" means the registered
15 business entity is active on the secretary's records and compliant with its legal obligation to file
16 annual reports and/or pay annual fees as applicable, and maintain a registered agent and registered
17 office.

18 III. The business address provided for a registered business entity appointed to serve as
19 registered agent for another registered business entity shall be the usual place of business for such
20 agent. For the purposes of this section, "usual place of business" means a location in New
21 Hampshire that is customarily open during normal business hours where a person who is authorized
22 to perform the services of a registered agent, including acceptance of service of process and other
23 notifications for the entity for which the registered agent is serving as registered agent, is commonly
24 present. "Usual place of business" shall not include a United States post office box or a commercial
25 post office box.

26 2 Corporations, Associations, and Proprietors of Common Lands; Voluntary Corporations and
27 Associations; Change of Name; Amending Articles. Amend RSA 292:7 to read as follows:

28 292:7 Change of Name; Amending Articles. Any corporation now or hereafter organized or
29 registered in accordance with the provisions of this chapter, and any existing corporation which may
30 have been so organized or registered, may change its name, increase or decrease its capital stock or
31 membership certificates, merge with or acquire any other corporation formed pursuant to this

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chapter, **restate**, or amend its articles of agreement, by a majority vote of such corporation's board of directors or trustees, at a meeting duly called for that purpose, and by recording a certified copy of such vote in the office of the secretary of state and in the office of the clerk of the town or city in this state which is its principal place of business. In the case of a foreign nonprofit corporation registered in New Hampshire, a copy of the amendment or plan of merger, certified by the proper officer of the state of incorporation, shall be filed with the secretary of state, together with the fee provided in RSA 292:5. The surviving corporation in a merger shall continue to have all the authority and powers vested in the merging corporations, including any powers previously conferred upon them by the legislature.

3 Corporations, Associations, and Proprietors of Common Lands; New Hampshire Business Corporation Act; Secretary of State; Powers. Amend RSA 293-A:1.30 to read as follows:

293-A:1.30 Powers.

(a) The secretary of state has the power reasonably necessary to perform the duties required of the secretary ~~[of state]~~ by this chapter.

(b) *The secretary of state may verify data submitted to the New Hampshire business registry and confirm that such information has been transmitted with the authorization of the registered business entity for which it is filed. When verifying such data, the secretary may prevent the submission of data that cannot be authenticated and reject the filing of data that cannot be authenticated. If the secretary finds that any data submitted cannot be verified, the secretary may administratively dissolve, forfeit, revoke, or cancel the registered business entity in accordance with the applicable provisions of RSA 292, 293-A, 293-B, 301, 301-A, 301-B, 304-B, 304-C, 305-A, 349, and 564-F.*

(c) *The secretary of state may take the following measures to prevent the fraudulent submission of data to the New Hampshire business registry:*

(1) *Authenticate the identity of the person submitting a filing to the secretary.*

(2) *Authenticate any and all electronic mail addresses and cellular telephone numbers provided in connection with a filing on the New Hampshire business registry, including the electronic mail address and cellular telephone number used by the person submitting the filing and the electronic mail address of record for the business.*

(3) *Require proof that the registered business entity has authorization to use the address provided to the secretary as the principal business address. Such proof may include evidence that the registered business entity or one of its principals owns or leases the property or that the owner or lessor of the property consents to the use of the property as the registered business entity's principal place of business.*

(4) *Require that all addresses submitted to the secretary be valid according to the United States Postal Service.*

1 (5) *Take such other measures as the secretary deems necessary that further*
2 *the purposes of this section and are consistent with the law of this state.*

3 (d) *An individual or business may submit a sworn statement in a format*
4 *prescribed by the secretary of state to report if they know or suspect that their identity or*
5 *business information has been used to form a business entity without their knowledge or*
6 *consent.*

7 (e) *An individual or business may submit a sworn statement in a format*
8 *prescribed by the secretary of state to report if an unauthorized party has submitted*
9 *changes to their business information, including officer, director, manager and/or member*
10 *information without their knowledge or consent.*

11 4 New Section; Actions Prohibited. Amend RSA 293-A by inserting after section 1.38 the
12 following new section:

13 293-A:1.39 Actions Prohibited.

14 I. The following actions are prohibited with respect to any data, document or record
15 submitted to the secretary of state on behalf of a business entity under RSA 292, 293-A, 293-B, 301,
16 301-A, 301-B, 304-B, 304-C, 305-A, 349, or 564-F:

17 (a) Including the name of a person on a document filed with the secretary of state under
18 RSA 292, 293-A, 293-B, 301, 301-A, 301-B, 304-B, 304-C, 305-A, 349, or 564-F without the named
19 person's written consent, if the person is included in the filing as:

- 20 (1) The registered agent;
21 (2) The person causing the document to be delivered to the secretary for filing;
22 (3) The person incorporating, forming or organizing an entity;
23 (4) The person named as officer, director, member, manager, partner or other
24 principal of the entity; or

25 (5) Any other person required under RSA 292, 293-A, 293-B, 301, 301-A, 301-B, 304-
26 B, 304-C, 305-A, 349, or 564-F to be identified in a document filed with the secretary.

27 (b) Including an address in a document filed with the secretary of state under RSA 292,
28 293-A, 293-B, 301, 301-A, 301-B, 304-B, 304-C, 305-A, 349, or 564-F without the consent of the owner
29 or occupant of the included address.

30 (c) Delivering a document regarding an entity to the secretary of state if the person who
31 makes the delivery lacks the necessary written consent or authority to do so.

32 II. An intentional violation of this section in connection with a filing with the secretary of
33 state shall be subject to a penalty as provided in RSA 293-A:1.29.

34 5 New Paragraph; Corporations, Associations, and Proprietors of Common Lands; New
35 Hampshire Business Corporation Act; Definitions. Amend RSA 293-A:1.40 by inserting after
36 paragraph (14A) the following new paragraph:

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1 (14B) "New Hampshire business registry" means the data and filing history of all
2 businesses that form or register with the secretary of state under RSA 292, 293-A, 293-B, 301, 301-A,
3 301-B, 304-B, 304-C, 305-A, 349, and 564-F and made available to the public on the state's
4 centralized business Internet web site.

5 6 New Paragraph; Corporations, Associations, and Proprietors of Common Lands; New
6 Hampshire Business Corporation Act; Definitions. Amend RSA 293-A:1.40 by inserting after
7 paragraph (19) the following new paragraph:

8 (19A) "Registered business entity" means any corporation, limited liability company,
9 limited liability partnership, limited partnership, statutory trust or any other business entity on the
10 New Hampshire business registry.

11 7 New Paragraph; Corporations, Associations, and Proprietors of Common Lands; New
12 Hampshire Business Corporation Act; Definitions. Amend RSA 293-A:1.40 by inserting after
13 paragraph (25) the following new paragraph:

14 (25A) "Verify" means to confirm the veracity of data submitted and accepted by the
15 secretary of state.

16 8 Effective Date. This act shall take effect January 1, 2026.

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**HB 406-FN- FISCAL NOTE
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AN ACT relative to the formation of fraudulent businesses.

FISCAL IMPACT:

The Legislative Budget Assistant has determined that this legislation has a total fiscal impact of less than \$10,000 in each of the fiscal years 2025 through 2028.

AGENCIES CONTACTED:

Department of State