

1105.4000 APPLICATION FOR FIRM PERMIT.

A. Applications by firms for initial issuance and for renewal of permits under Minnesota Statutes, section 326A.05, must be made on a form provided by the board and, in the case of applications for renewal, must be filed no later than December 31. Applications are not considered filed until the applicable fee prescribed in Minnesota Statutes, section 326A.04, and all required documents prescribed in this chapter are received. Applicants who do not supply all required supporting documents and applicable fees for initial issuance of a permit within six months of the date that the application was received by the board shall submit a new application with the required fee. If an application for permit renewal is filed late, it must also be accompanied by the delinquency fee prescribed in Minnesota Statutes, section 326A.04.

B. A sole proprietor shall apply for a firm permit, when a permit is needed, as required by part 1105.4200.

C. Applications for a firm permit or renewal of a firm permit must include the firm name, addresses, and telephone numbers of the main office and of any branch offices of the firm in this state, the name of the person in charge of each branch office, and the names of the partners, shareholders, members, managers, directors, and officers who are residing in and practicing in this state.

D. The board shall not:

(1) issue an initial permit to a firm until all partners, members, managers, as defined in Minnesota Statutes, section 326A.01, shareholders, directors, and officers who are required to hold a certificate and whose principal place of business is in this state individually hold nonexpired certificates with an active status issued under Minnesota Statutes, section 326A.04, covering the term of the firm permit to be issued; or

(2) renew the permit of a firm until a two-thirds majority of partners, members, managers, as defined in Minnesota Statutes, section 326A.01, shareholders, directors, and officers who hold a certificate and whose principal place of business is in this state individually renew their certificates with an active status or hold nonexpired certificates with an active status issued under Minnesota Statutes, section 326A.04, covering the term of the firm permit to be renewed. If all of these individuals do not renew their certificates with an active status within 60 days of expiration, the board shall automatically revoke the permit of the firm.

E. A firm's partners, members, shareholders, directors, or officers resident in this state who do not hold, and are not eligible to hold, a certificate shall annually, in connection with initial issuance or renewal of the firm permit, submit with the application a statement signed by the person that:

(1) indicates that person's agreement to comply with rules adopted by the board and be subject to the board enforcement specified in Minnesota Statutes, section 326A.08;

(2) indicates that the person actively participates in the firm or affiliated entities on a full-time basis; and

(3) specifies all professional licenses held by the person that were issued by the state and any disciplinary actions that have been taken against the licenses in the last five years.

F. Persons specified in item E shall annually register with the board before December 31 on a form provided by the board and pay the fee specified in Minnesota Statutes, section 326A.04.

G. The board shall not renew a permit of a firm that has not undergone a peer review within the previous three years and has not complied with the board's rules with respect to the reviews.

H. An "affiliated entity," for the purpose of item E, subitem (2), and Minnesota Statutes, section 326A.05, subdivision 3, paragraph (c), clause (2), is an entity that is directly, or indirectly through one or more intermediaries, controlled by the firm. "Control" means the power to direct or cause the direction of the management and policies of the entity through ownership, by contract or otherwise, and includes entities that control, are controlled by, or are under common ownership with the firm. "Actively participates" and "full-time basis," for the purpose of item E, subitem (2), means regular, continuous, and substantial involvement by an individual in management and professional activities of the firm or affiliated entities for more than 1,800 hours per year.

I. The application for a firm permit or renewal of a firm permit must contain a representation from the firm that the firm has verified compliance of the firm's partners, members, managers, shareholders, directors, or officers resident in this state with items D, E, and F, and that the firm has complied with part 1105.7850, item G.

J. The application for a firm permit for a firm whose principal place of business is in this state must include a certified copy of the articles of incorporation, articles of organization, or LLP registration on file with the Secretary of State's Office. The application for a firm permit for a firm whose principal place of business is not in this state must include a certified copy of the certificate of authority from the Secretary of State's Office.

Statutory Authority: *MS s 197.4552; 326.18; 326A.02*

History: *27 SR 1425; 28 SR 1636; 30 SR 422; 33 SR 476; 38 SR 1367; 40 SR 953; 42 SR 736; 44 SR 763; 48 SR 349*

Published Electronically: *October 26, 2023*