

2024 -- S 2739 SUBSTITUTE A

LC005251/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
FILING OF ASSUMED NAME

Introduced By: Senators Quezada, Mack, Zurier, Lauria, Tikoian, and Ujifusa

Date Introduced: March 08, 2024

Referred To: Senate Commerce

(Secretary of State)

It is enacted by the General Assembly as follows:

1 SECTION 1. The title of Chapter 6-1 of the General Laws entitled "Filing of Assumed
2 Name" is hereby amended to read as follows:

~~CHAPTER 6-1~~

~~Filing of Assumed Name~~

CHAPTER 6-1

FILING OF TRADE NAME

7 SECTION 2. Sections 6-1-1, 6-1-2 and 6-1-3 of the General Laws in Chapter 6-1 entitled
8 "Filing of Assumed Name" are hereby amended to read as follows:

9 ~~6-1-1. Filing of business name required.~~ **Filing of business trade name requirements.**

10 (a) No person or persons shall carry on or conduct or transact business in this state under
11 any ~~assumed~~ trade name, or under any designation, name, or style, corporate or otherwise, other
12 than the real name or names of the individual or individuals conducting or transacting business,
13 unless the person or persons shall file, in person, by mail, or electronically with the office of the
14 ~~town or city clerk in the town or city in which the person or persons conduct or transact, or intend~~
15 ~~to conduct or transact, business, a~~ secretary of state an executed application for a trade name
16 certificate stating ~~the;~~

17 (1) The name under which the business is, or is to be, conducted or transacted, ~~and the;~~

18 (2) The true or real full name or names, both the first name and surname, of the person or

1 persons conducting or transacting the business, ~~with the~~;

2 (3) The post office address or addresses of the person or persons applying for the trade
3 name certificate; and the

4 (4) The email address of the person or persons applying for the trade name certificate.;

5 (5) The municipality where the business is located; and

6 (6) The North American Industry Classification System (NAICS) code that best represents
7 the business activity to be conducted.

8 (b) The trade name shall be distinguishable upon the records of the trade name registry
9 from the name of any trade name on file within the municipality where the business is located,
10 subject to the following:

11 (1) This provision does not apply if the applicant files with the secretary of state a certified
12 copy of a final decree of a court of competent jurisdiction establishing the prior right of the
13 applicant to the use of the name in this state.

14 (2) The trade name may be the same as the name of a trade name registration which has
15 been cancelled by the secretary of state as permitted by this chapter and a restoration statement has
16 not filed within one year from the date of the cancellation.

17 (c) Whenever this chapter requires a certificate to be executed and acknowledged, such
18 requirement is satisfied by the signature, without more, of the individual or individuals signing the
19 application, in which case such signature or signatures constitute the affirmations or
20 acknowledgment of the signatory, under penalties of perjury, that the application is that individual's
21 act and deed and that the facts stated therein are true.

22 **6-1-2. Indexes — Filing fee — Certified copies as evidence.**

23 The ~~several town and city clerks of this~~ secretary of state shall keep ~~alphabetical indexes~~
24 an online register of all persons filing certificates and of all names or styles assumed, referred to in
25 this chapter, and, for the indexing and filing of the certificates, the ~~town and city clerks shall receive~~
26 ~~for the benefit of the town or city a fee of ten dollars (\$10.00) each~~ secretary of state shall charge
27 and collect a fee of twenty dollars (\$20.00). A copy of the certificate, duly certified to by the ~~town~~
28 ~~or city clerk in whose office the certificate shall be filed,~~ secretary of state shall be presumptive
29 evidence in all courts in this state of the facts contained in the certificate. The secretary of state
30 shall charge and collect twenty dollars (\$20.00) for the issuance of a letter of status.

31 **6-1-3. Corporations — Partnership names.**

32 This chapter shall in no way affect or apply to ~~any~~ a duly registered or qualified, domestic
33 or foreign corporation, nonprofit corporation, limited liability company, limited liability
34 partnership, or limited partnership duly organized under the laws of this state, ~~or to any corporation~~

1 ~~or limited partnership organized under the laws of any other state and lawfully doing business in~~
2 ~~this state~~, or to any partnership or joint venture, the name or designation of which includes the true
3 or real surname of at least one individual who is a partner or joint venturer.

4 SECTION 3. Chapter 6-1 of the General Laws entitled "Filing of Assumed Name" is
5 hereby amended by adding thereto the following sections:

6 **6-1-1.1. Definitions.**

7 For purposes of this chapter, the following definitions apply:

8 (1) "Business" means an occupation, profession, or employment engaged in for the purpose
9 of seeking a profit.

10 (2) "Department" means the department of state.

11 (3) "Distinguishable upon the record" means the standard used by the department of state
12 in its name availability guidelines for domestic entities.

13 (4) "Electronic transmission" means any form of communication, not directly involving
14 the physical transmission of paper, that creates a record that may be retained, retrieved, and
15 reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a
16 recipient through an automated process.

17 (5) "Filing" means delivered to the secretary of state in either paper format or electronic
18 transmission through a medium provided and authorized by the secretary of state.

19 (6) "Municipality" means and includes any city or town within the state.

20 (7) "Person" means any individual, partnership, limited liability company, or corporation
21 conducting or having an interest in a business in the state.

22 (8) "Signature" or "signed" or "executed" means an original signature, facsimile, or an
23 electronically transmitted signature submitted through a medium provided and authorized by the
24 secretary of state.

25 (9) "Trade name" means a word(s) or names(s), or any combination of a word(s) or
26 name(s), used by a person to identify the person's business which:

27 (i) Is not, or does not include, the true and real name of all persons conducting the business;
28 or

29 (ii) Includes words which suggest additional parties of interest such as "company," "and
30 sons," or "and associates."

31 (10) "True and real name" means:

32 (i) The last name of an individual coupled with the first name, middle names, initials, or
33 any combination thereof; or

34 (ii) The designation or identifying name by which an individual is best known and called

1 in the business community where that individual transacts business, if this designation or
2 identifying name is used as that individual's legal signature.

3 **6-1-5. Changes in registration -- Filing notice of change.**

4 (a) A notice of change shall be filed with the secretary of state when a change occurs in:

5 (1) The true and real name of a person conducting a business with a trade name registered
6 under this chapter; or

7 (2) Any mailing address or email address set forth on the registration or any subsequently
8 filed notice of change; or

9 (3) An addition, deletion, or any change of person or persons conducting business under
10 the registered trade name occurs; or

11 (4) There is a change in the wording or spelling of the trade name since initial registration
12 or renewal.

13 (b) A notice of cancellation shall be filed with the secretary of state when use of a trade
14 name is discontinued.

15 **6-1-6. Failure to file.**

16 No person or persons carrying on, conducting, or transacting business under any trade name
17 shall be entitled to maintain any suit in any of the courts of this state until such person or persons
18 have properly completed the registration as provided for in §§ 6-1-1 and 6-1-2. Failure to complete
19 this registration shall not impair the validity of any contract or act of such person or persons and
20 shall not prevent such person or persons from defending any suit in any court of this state.

21 **6-1-7. Renewal or cancellation.**

22 (a) The secretary of state shall require the annual renewal of trade names and establish a
23 process for renewing trade names. Any such renewal process shall allow persons to renew their
24 trade name at the same time they are required to renew their business license, if applicable.

25 (b) The secretary of state may cancel a person's trade name upon request of the person to
26 whom the trade name is registered. The secretary of state may also provide for the cancellation of
27 trade names under circumstances as defined by the secretary of state by rule or regulation, which
28 may include failure to renew a trade name under a renewal process as may be established by the
29 secretary of state under the authority of subsection (a) of this section.

30 (c) The secretary of state shall make a reasonable effort to notify a person that the secretary
31 of state intends to cancel the person's trade name. This notice is not required when a request for
32 cancellation of a trade name is received by the secretary of state from the person to whom the trade
33 name was registered or the person's authorized representative.

34 (1) The secretary of state may comply with this subsection either by mailing the notice to

1 the person's last known address on record with the secretary of state or by providing the notice
2 electronically in lieu of mail. Such electronic notice may be sent by email to the person's last known
3 email address on record with the secretary of state. Provided, however, if the secretary of state
4 sends a notice by email and is notified that the email is undeliverable, the secretary of state shall
5 resend the notice by mail to the person's last known address on record with the secretary of state.

6 (2) The secretary of state may cancel a trade name unless, within sixty (60) days of sending
7 the notice required under this section, the person files the annual renewal outlined in subsection (a)
8 of this section or meets the other requirements set forth in the cancellation notice as outlined in
9 subsection (b) of this section.

10 (d) The secretary of state may remove any canceled trade names from its database of trade
11 names.

12 **6-1-8. Restoration statement.**

13 (a) If any person or persons shall have a trade name certificate cancelled by the secretary
14 of state, the person or persons may file a restoration statement and pay a twenty-five dollar (\$25.00)
15 restoration fee. The restoration statement shall include:

16 (1) The name under which the business is, or is to be, conducted or transacted;

17 (2) The true or real full name or names, both the first name and surname, of the person or
18 persons conducting or transacting the business;

19 (3) The post office address or addresses of the person or persons conducting the business;

20 (4) The email address of the person or persons conducting the business; and

21 (5) The municipality where the business is located; and

22 (6) The North American Industry Classification System (NAICS) code that best represents
23 the business activity being conducted.

24 (b) If, as permitted by the provisions of this chapter, another person has filed a trade name
25 that is not distinguishable upon the records of the secretary of state from the trade name to which
26 the certificate of cancellation is proposed to be restored, then the secretary of state shall condition
27 the restoration of the certificate of cancellation upon the person or persons amending their
28 registration to comply with the provisions of this chapter with respect to the use of a name available
29 to them under this chapter.

30 **6-1-9. Establishment of pilot filing project and transfer of assumed business name**
31 **records.**

32 By August 1, 2025, the secretary of state shall establish a database to house all trade name
33 records. Between August 1, 2025, and September 30, 2025, each municipality shall transfer to the
34 secretary of state its active assumed business name records to be incorporated into the trade name

1 database. Between August 1, 2025, and the effective date of this section, a pilot filing project shall
2 be established allowing trade name registrations to be filed with the secretary of state once the
3 municipality's records have been transferred and indexed within the secretary of state's database.

4 SECTION 4. This act shall take effect on January 1, 2026, unless otherwise provided
5 herein.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
FILING OF ASSUMED NAME

1 This act would change the term "assumed name" to "trade name" and would centralize the
2 filing, administration and regulation process of trade names to the secretary of state. This act would
3 also require an annual renewal of the trade name.

4 This act would take effect on January 1, 2026, unless otherwise provided herein.

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