

**Minnesota Department of Commerce
Financial Institution Division**

ORDER ADOPTING RULES

Amendments to Rules Governing Adopted Exempt Permanent Rules Relating to Security Regulation for Minnesota Rules, parts 2860.1200, subpart 4, 2860.2200, 2860.2500, subpart 1, 2876.4050, subpart 2, 2876.4061, subpart 2, and 2876.4117, subparts 1 and 4; Revisor ID number RD4859; OAH Docket Number 65-9009-40027

BACKGROUND INFORMATION

1. In 1991, Minnesota Statutes sections 80C.04, subd. 1, 80C.07, and 80C.08, subd. 1 were amended to update the required filing fee for applications for registration. Specifically, Minn. Stat. § 80C.04, subd. 1 now provides for a \$400 filing fee (an increase from \$250), section 80C.07 provides for a \$100 filing fee (an increase from \$50), and section 80C.08, subd. 1 provides for a \$200 filing fee (an increase from \$100).

2. Corresponding rules in Minnesota Rules part 2860 were not updated at the same time as the above-referenced statutes, and the fee amounts listed in those rules conflict with the fee amounts in statute. Updating Minnesota Rules part 2860 to reflect the current fees provided for in Minn. Stat. Chapter 80C will incorporate the specific changes already contained within the applicable statute.

3. Minnesota Statutes, section 14.388, subdivision 1(3) provides:

If an agency for good cause finds that the rulemaking provisions of this chapter are unnecessary, impracticable, or contrary to the public interest when adopting, amending, or repealing a rule to... (3) incorporate specific changes set forth in applicable statutes when no interpretation of law is required; or.... the agency may adopt, amend, or repeal the rule after satisfying the requirements of subdivision 2 and section 14.386, paragraph (a), clauses (1) to (4). The agency shall incorporate its findings and a brief statement of its supporting reasons in its order adopting, amending, or repealing the rule...

4. The Department acts now to amend the following rules in accordance with paragraph 1:

- A. Amend Minnesota Rules, part 2860.1200 subpart 4, by deleting “\$250” and inserting “\$400.”
- B. Amend Minnesota Rules, part 2860.2200, by deleting “\$50” and inserting “\$100.”
- C. Amend Minnesota Rules, part 2860.2500 subpart 1, by deleting “\$100” and inserting “\$200”.

5. In 2010 the Securities and Exchange Commission (SEC) updated Form ADV, including renaming “Part II” of the form to “Part 2.” Form ADV Part II is no longer in existence. Minnesota Rules, parts 2876.4050, subpart 2, 2876.4061, subpart 2, and 2876.4117, subparts 1 and 4 contain references to the old “Part II.” Updating the reference in Minnesota Rules to “Part 2” will reflect the current requirements imposed by the SEC and do not alter the sense, meaning, or effect of the affected rules.

6. Minnesota Statutes, section 14.388, subdivision 1(4) provides:

If an agency for good cause finds that the rulemaking provisions of this chapter are unnecessary, impracticable, or contrary to the public interest when adopting, amending, or repealing a rule to...(4) make changes that do not alter the sense, meaning, or effect of a rule, the agency may adopt, amend, or repeal the rule after satisfying the requirements of subdivision 2 and section 14.386, paragraph (a), clauses (1) to (4). The agency shall incorporate its findings and a brief statement of its supporting reasons in its order adopting, amending, or repealing the rule...

7. The Department acts now to amend the following rules in accordance with paragraph 5:

- A. Amend Minnesota Rules, part 2876.4050 subpart 2, by deleting “II” and inserting “2” in any place “II” is contained within subpart 2.
- B. Amend Minnesota Rules, part 2876.4061 subpart 2, by deleting, “II” and inserting “2” in any place “II” is contained within subpart 2.
- C. Amend Minnesota Rules, part 2876.4117 subparts 1 and 4, by deleting “II” and inserting “2” in any place “II” is contained within subparts 1 and 4.

8. The Office of Administrative Hearings received no written comments on the rules.

9. The Department of Commerce has complied with all notice and procedural requirements in Minnesota Statutes, chapter 14, Minnesota Rules, chapter 1400, and other applicable law. The Department sent notice to all persons who registered their name with the agency under Minnesota Statutes, section 14.14, subdivision 1a. The notice and proposed rule revisions are also posted on the Department’s website.

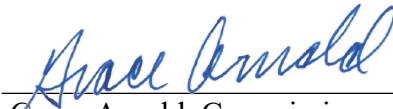
10. The rules are needed and reasonable.

ORDER

Rules of the Department of Commerce governing Amendments to Rules Governing Adopted Exempt Permanent Rules Relating to Security Regulation for Minnesota Rules, parts 2860.1200, subpart 4, 2860.2200, 2860.2500, subpart 1, 2876.4050, subpart 2, 2876.4061, subpart 2, and 2876.4117, subparts 1 and 4, in the form set out in the Revisor's draft, file number R-4859 dated April 23, 2024 are adopted under my authority in Minnesota Statutes, sections 14.388, 45.023, 80C.18, subd. 1, and 80A.82 (a)(1).

June 4, 2024

Date



Grace Arnold, Commissioner
Department of Commerce