FIRST ENGROSSMENT

Sixty-fifth Legislative Assembly of North Dakota

ENGROSSED SENATE BILL NO. 2159

Introduced by

Senators Campbell, Laffen

Representatives Monson, D. Ruby, Trottier

1 A BILL for an Act to amend and reenact subdivision d of subsection 2 of section 10-32.1-39,

2 paragraph 1 of subdivision d of subsection 3 of section 10-32.1-39, and paragraph 1 of

3 subdivision q of subsection 4 of section 10-32.1-39 of the North Dakota Century Code, relating

4 to management of a limited liability company; and to provide for retroactive application.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 SECTION 1. AMENDMENT. Subdivision d of subsection 2 of section 10-32.1-39 of the
7 North Dakota Century Code is amended and reenacted as follows:

8	d. An a	act outside the ordinary course of the activities of the company may be
9	und	ertaken only with the consent of all members, except member consent is not
10	requ	uired for the grant of a lien on or security interest in all or substantially all of
11	the	company's property and assets, whether in the usual and regular course of
12	the	company's business, or for the transfer of any or all of the company's
13	prop	perty to an organization, all of the ownership interests that are directly or
14	indi	rectly owned through wholly owned organizations, by the company.
15	SECTION 2. AMENDMENT. Paragraph 1 of subdivision d of subsection 3 of section	
16	10-32.1-39 of the	North Dakota Century Code is amended and reenacted as follows:
17	(1)	Sell, lease, exchange, or otherwise dispose of all, or substantially all, of the
18		property of the company, with or without the good will, outside the ordinary
19		course of the activities of the company, except member consent is not
20		required for the grant of a lien on or security interest in all or substantially all
21		of the company's property and assets, whether in the usual and regular
22		course of the company's business, or for the transfer of any or all of the
23		company's property to an organization, all of the ownership interests that

1	are directly or indirectly owned through wholly owned organizations, by the
2	company;
3	SECTION 3. AMENDMENT. Paragraph 1 of subdivision q of subsection 4 of section
4	10-32.1-39 of the North Dakota Century Code is amended and reenacted as follows:
5	(1) Sell, lease, exchange, or otherwise dispose of all, or substantially all, of the
6	property of the company, with or without the good will, outside the ordinary
7	course of the activities of the company, except member consent is not
8	required for the grant of a lien on or security interest in all or substantially all
9	of the company's property and assets, whether in the usual and regular
10	course of the company's business, or for the transfer of any or all of the
11	company's property to an organization, all of the ownership interests that
12	are directly or indirectly owned through wholly owned organizations, by the
13	<u>company;</u>
14	SECTION 4. RETROACTIVE APPLICATION. This Act applies retroactively to cases arising
15	after July 31, 2015.