Sixty-fifth Legislative Assembly of North Dakota In Regular Session Commencing Tuesday, January 3, 2017

SENATE BILL NO. 2159 (Senators Campbell, Laffen) (Representatives Monson, D. Ruby, Trottier)

AN ACT to amend and reenact subdivision d of subsection 2 of section 10-32.1-39, paragraph 1 of subdivision d of subsection 3 of section 10-32.1-39, and paragraph 1 of subdivision q of subsection 4 of section 10-32.1-39 of the North Dakota Century Code, relating to management of a limited liability company; and to provide for retroactive application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

d. An act outside the ordinary course of the activities of the company may be undertaken only with the consent of all members, except member consent is not required for the grant of a lien on or security interest in all or substantially all of the company's property and assets, whether in the usual and regular course of the company's business, or for the transfer of any or all of the company's property to an organization, all of the ownership interests that are directly or indirectly owned through wholly owned organizations, by the company.

SECTION 2. AMENDMENT. Paragraph 1 of subdivision d of subsection 3 of section 10-32.1-39 of the North Dakota Century Code is amended and reenacted as follows:

(1) Sell, lease, exchange, or otherwise dispose of all, or substantially all, of the property of the company, with or without the good will, outside the ordinary course of the activities of the company, except member consent is not required for the grant of a lien on or security interest in all or substantially all of the company's property and assets, whether in the usual and regular course of the company's business, or for the transfer of any or all of the company's property to an organization, all of the ownership interests that are directly or indirectly owned through wholly owned organizations, by the company;

SECTION 3. AMENDMENT. Paragraph 1 of subdivision q of subsection 4 of section 10-32.1-39 of the North Dakota Century Code is amended and reenacted as follows:

(1) Sell, lease, exchange, or otherwise dispose of all, or substantially all, of the property of the company, with or without the good will, outside the ordinary course of the activities of the company, except member consent is not required for the grant of a lien on or security interest in all or substantially all of the company's property and assets, whether in the usual and regular course of the company's business, or for the transfer of any or all of the company's property to an organization, all of the ownership interests that are directly or indirectly owned through wholly owned organizations, by the company;

SECTION 4. RETROACTIVE APPLICATION. This Act applies retroactively to cases arising after July 31, 2015.

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	Preside	ent of the Senate		Speaker of the House Chief Clerk of the House	
	Secreta	ary of the Senate			
			e Senate of the Six as Senate Bill No	kty-fifth Legislative A . 2159.	ssembly of North
Senate Vote:	Yeas 45	Nays 0	Absent 2		
House Vote:	Yeas 88	Nays 4	Absent 2		
				Secretary of the Se	nate
Received by the Governor atM. on					, 2017.
Approved at _	M. on _				, 2017.
				Governor	
Filed in this office thisday of					, 2017,
at o	'clock	_M.			
				Secretary of State	