

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 act outside the ordinary course of the activities of the company may be
9 undertaken only with the consent of all members, except member consent is not
10 required 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 property to an organization, all of the ownership interests that are directly or
14 indirectly 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 company;

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