

**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.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-fifth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2159.

Senate Vote: Yeas 45 Nays 0 Absent 2

House Vote: Yeas 88 Nays 4 Absent 2

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2017.

Approved at _____ M. on _____, 2017.

Governor

Filed in this office this _____ day of _____, 2017,

at _____ o'clock _____ M.

Secretary of State