

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1241

2007 HOUSE JUDICIARY

HB 1241

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1241

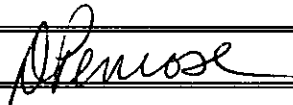
House Judiciary Committee

Check here for Conference Committee

Hearing Date: 1/24/07

Recorder Job Number: 1771

Committee Clerk Signature



Minutes:

Chairman DeKrey: We will open the hearing on HB 1241.

Al Jaeger, Secretary of State: Introduced the bill.

Chairman DeKrey: Thank you. Further testimony in support.

William Guy, ND Business Entity Drafting Task Force: (see attached testimony).

Chairman DeKrey: Thank you. Further testimony in support.

Clara Jenkins, Director of Business Division, Secretary of State: (see attached testimony)

and explained the amendments

Chairman DeKrey: Thank you. Further testimony in support. Testimony in opposition. We will close the hearing.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1241

House Judiciary Committee

Check here for Conference Committee

Hearing Date: 1/29/07

Recorder Job Number: 2196

Committee Clerk Signature *Penrose*

Minutes:

Chairman DeKrey: We will take a look at HB 1241.

Rep. Delmore: I move the amendments by the Secretary of State.

Rep. Koppelman: Seconded.

Chairman DeKrey: We will take a voice vote. Motion carried. We now have the bill before us as amended.

Rep. Griffin: I move a Do Pass as amended.

Rep. Wolf: Seconded.

13 YES 0 NO 1 ABSENT

DO PASS AS AMEND

CARRIER: Rep. DeKrey

FISCAL NOTE
Requested by Legislative Council
01/10/2007

Bill/Resolution No.: HB 1241

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The intent of the bill is to update several chapters of state law pertaining to the various business entities registered by the agency. The bill has no positive or negative fiscal impact.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Throughout the bill, there is a consolidation of several fees into one fee. However, the resulting fee is no higher or lower than the combined fee. The combined fee will make it easier for the agency's customers to comply with the fee schedule when they file documents and it will allow faster processing of the those documents when they are filed with the agency.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

N/A

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

N/A

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

N/A

Name:	Al Jaeger	Agency:	Secretary of State
Phone Number:	328-2900	Date Prepared:	01/11/2007

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 1, line 1, after the comma insert "a new section to chapter 10-19.1,"

Page 1, line 2, replace the second comma with "and" and replace "and" with "a new section to chapter 10-32, section"

Page 1, line 3, after the first comma insert "section 10-33-01.3," replace the second "section" with "sections", and after "10-33-72.1" insert ", 10-34-02.1, 45-10.2-06.1, and 45-13-02.1"

Page 1, line 4, remove "and"

Page 1, line 5, after "corporations" insert ", real estate investment trusts, limited partnerships, and partnerships"

Page 1, line 14, after the fifth comma insert "and" and remove ", and 10-32-29"

Page 1, line 18, remove the third "and"

Page 1, line 21, replace "and" with a comma

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 9, after line 8, insert:

"39. "Originating records" means for an organization that is:

- a. A corporation, its articles of incorporation;
- b. A limited liability company, its articles of organization;
- c. A limited partnership, its certificate of limited partnership;
- d. A limited liability partnership, its registration; or
- e. A limited liability limited partnership, its certificate of limited liability limited partnership."

Page 9, line 9, replace "39." with "40."

Page 9, line 11, replace "40." with "41."

Page 9, line 15, replace "41." with "42."

Page 9, line 23, replace "42." with "43."

Page 9, line 29, replace "43." with "44."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 10, line 3, replace "44." with "45."

Page 10, line 5, replace "45." with "46."

Page 10, line 8, replace "46." with "47."

Page 10, line 18, replace "47." with "48."

Page 10, line 22, replace "48." with "49."

Page 10, line 23, replace "49." with "50."

Page 10, line 28, replace "50." with "51." and remove the overstrike over "~~shareholders~~"

Page 10, line 29, remove the overstrike over "~~proprietary~~", remove "ownership", and replace "a" with "the"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 11, line 1, replace "51." with "52."

Page 11, line 4, replace "52." with "53."

Page 11, line 18, replace "53." with "54."

Page 11, line 20, replace "54." with "55."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 12, line 1, replace "55." with "56."

Page 12, line 5, replace "56." with "57."

Page 12, line 9, replace "57." with "58."

Page 12, line 10, replace "58." with "59."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 14, after line 19, insert:

"SECTION 4. A new section to chapter 10-19.1 of the North Dakota Century Code is created and enacted as follows:

Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A corporation incorporated under or governed by this chapter is subject to this reserved right.

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 15, line 8, overstrike "3." and remove the overstrike over "~~The following provisions govern a corporation unless modified in the articles:~~"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 21, line 2, replace "partners" with "portions"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 24, line 28, remove the overstrike over "~~shares~~" and remove "ownership"

Page 24, line 29, remove "interests"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 31, line 24, replace "ownership interests" with "shares"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 37, line 25, overstrike "ownership interests" and insert immediately thereafter "shares"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 38, line 29, overstrike "articles"

Page 38, line 30, after "~~organization~~" insert "originating records"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 43, line 13, after the underscored comma insert "if"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 47, line 17, overstrike "If the surviving organization is a" and remove "domestic"

Page 47, line 18, remove "organization", overstrike the comma, remove "then", overstrike "the" and insert immediately thereafter "The"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 53, line 28, remove "j." and overstrike ""Originating records" means for an organization which is:"

Page 53, overstrike lines 29 through 31

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 54, overstrike lines 1 through 3

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 60, line 12, overstrike "forty" and insert immediately thereafter "one hundred thirty-five"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 69, line 12, replace "a member" with "the members"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 71, after line 20, insert:

- "44. "Originating records" means for an organization which is:
- a. A corporation, its articles of incorporation;
 - b. A limited liability company, its articles of organization;
 - c. A limited partnership, its certificate of limited partnership;
 - d. A limited liability partnership, its registration; or
 - e. A limited liability limited partnership, its certificate of limited liability limited partnership."

Page 71, line 21, overstrike "44." and insert immediately thereafter "45."

Page 71, line 26, overstrike "45." and insert immediately thereafter "46."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 72, line 5, overstrike "46." and insert immediately thereafter "47."

Page 72, line 11, overstrike "47." and insert immediately thereafter "48."

Page 72, line 18, overstrike "48." and insert immediately thereafter "49."

Page 72, line 24, overstrike "49." and insert immediately thereafter "50."

Page 72, line 26, overstrike "50." and insert immediately thereafter "51."

Page 72, line 29, overstrike "51." and insert immediately thereafter "52."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 73, line 8, overstrike "52." and insert immediately thereafter "53."

Page 73, line 12, overstrike "53." and insert immediately thereafter "54."

Page 73, line 14, overstrike "54." and insert immediately thereafter "55."

Page 73, line 15, overstrike "55." and insert immediately thereafter "56."

Page 73, line 19, overstrike "56." and insert immediately thereafter "57."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 74, line 3, overstrike "57." and insert immediately thereafter "58."

Page 74, line 15, overstrike "58." and insert immediately thereafter "59."

Page 74, line 19, overstrike "59." and insert immediately thereafter "60."

Page 74, line 24, overstrike "60." and insert immediately thereafter "61."

Page 74, line 31, overstrike "61." and insert immediately thereafter "62."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 75, line 1, overstrike "62." and insert immediately thereafter "63."

Page 75, line 4, overstrike "63." and insert immediately thereafter "64."

Page 75, after line 11, insert:

"SECTION 39. A new section to chapter 10-32 of the North Dakota Century Code is created and enacted as follows:

Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A limited liability company organized under or governed by this chapter is subject to this reserved right."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 81, line 29, replace "partners" with "portions"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 85, remove lines 18 through 29

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 86, remove lines 1 through 3

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 90, line 2, remove the overstrike over "~~securities~~"

Page 90, line 3, remove "ownership interests"

Page 90, line 6, remove the overstrike over "~~securities~~" and remove "ownership interests"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 92, line 12, remove the overstrike over "~~securities~~" and remove "ownership interests"

Page 92, line 19, remove the overstrike over "~~securities~~" and remove "ownership interests"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 98, line 20, overstrike "If the surviving organization is a" and remove "domestic"

Page 98, line 21, remove "organization", overstrike the comma, remove "then", and overstrike "the" and insert immediately thereafter "The"

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 107, line 6, remove "Ownership interests" means for a domestic or foreign organization that is:"

Page 107, remove lines 7 through 13

Page 107, line 14, remove "30."

Page 107, line 19, remove the overstrike over "~~30.~~" and remove "31."

Page 107, line 21, remove the overstrike over "~~34.~~" and remove "32."

Page 107, line 24, remove the overstrike over "~~32.~~" and remove "33."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 108, line 4, remove the overstrike over "~~33.~~" and remove "34."

Page 108, line 8, remove the overstrike over "~~34.~~" and remove "35."

Page 108, line 22, remove the overstrike over "~~35.~~" and remove "36."

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 109, line 3, remove the overstrike over "~~36.~~" and remove "37."

Page 109, line 7, remove the overstrike over "~~37.~~" and remove "38."

Page 109, line 8, remove the overstrike over "~~38.~~" and remove "39."

Page 109, after line 14, insert:

"SECTION 60. Section 10-33-01.3 of the North Dakota Century Code is created and enacted as follows:

10-33-01.3. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A corporation incorporated under or governed by this chapter is subject to this reserved right.

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 118, after line 28, insert:

"SECTION 67. Section 10-34-02.1 of the North Dakota Century Code is created and enacted as follows:

10-34-02.1. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A real estate investment trust formed under or governed by this chapter is subject to this reserved right.

House Amendments to HB 1241 (78112.0101) - Judiciary Committee 02/05/2007

Page 119, after line 13, insert:

"SECTION 69. Section 45-10.2-06.1 of the North Dakota Century Code is created and enacted as follows:

45-10.2-06.1. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A limited partnership formed under or governed by this chapter is subject to this reserved right.

Page 121, after line 12, insert:

"**SECTION 73.** Section 45-13-02.1 of the North Dakota Century Code is created and enacted as follows:

45-13-02.1. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A partnership formed under or governed by this chapter is subject to this reserved right."

Renumber accordingly

Date: 1-24-07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1241

House JUDICIARY Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DP as Amended

Motion Made By Rep. Guffin Seconded By Rep. Wolf

Representatives	Yes	No	Representatives	Yes	No
Ch. DeKrey	✓		Rep. Delmore	✓	
Rep. Klemin	✓		Rep. Griffin	✓	
Rep. Boehning			Rep. Meyer	✓	
Rep. Charging	✓		Rep. Onstad	✓	
Rep. Dahl	✓		Rep. Wolf	✓	
Rep. Heller	✓				
Rep. Kingsbury	✓				
Rep. Koppelman	✓				
Rep. Kretschmar	✓				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Rep. DeKrey

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1241: Judiciary Committee (Rep. DeKrey, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1241 was placed on the Sixth order on the calendar.

Page 1, line 1, after the comma insert "a new section to chapter 10-19.1,"

Page 1, line 2, replace the second comma with "and" and replace "and" with "a new section to chapter 10-32, section"

Page 1, line 3, after the first comma insert "section 10-33-01.3,", replace the second "section" with "sections", and after "10-33-72.1" insert ", 10-34-02.1, 45-10.2-06.1, and 45-13-02.1"

Page 1, line 4, remove "and"

Page 1, line 5, after "corporations" insert ", real estate investment trusts, limited partnerships, and partnerships"

Page 1, line 14, after the fifth comma insert "and" and remove ", and 10-32-29"

Page 1, line 18, remove the third "and"

Page 1, line 21, replace "and" with a comma

Page 9, after line 8, insert:

"39. "Originating records" means for an organization that is:

- a. A corporation, its articles of incorporation;
- b. A limited liability company, its articles of organization;
- c. A limited partnership, its certificate of limited partnership;
- d. A limited liability partnership, its registration; or
- e. A limited liability limited partnership, its certificate of limited liability limited partnership."

Page 9, line 9, replace "39." with "40."

Page 9, line 11, replace "40." with "41."

Page 9, line 15, replace "41." with "42."

Page 9, line 23, replace "42." with "43."

Page 9, line 29, replace "43." with "44."

Page 10, line 3, replace "44." with "45."

Page 10, line 5, replace "45." with "46."

Page 10, line 8, replace "46." with "47."

Page 10, line 18, replace "47." with "48."

Page 10, line 22, replace "48." with "49."

Page 10, line 23, replace "49." with "50."

Page 10, line 28, replace "50." with "51." and remove the overstrike over "~~shareholders~~"

Page 10, line 29, remove the overstrike over "~~proprietary~~", remove "ownership", and replace "a" with "the"

Page 11, line 1, replace "51." with "52."

Page 11, line 4, replace "52." with "53."

Page 11, line 18, replace "53." with "54."

Page 11, line 20, replace "54." with "55."

Page 12, line 1, replace "55." with "56."

Page 12, line 5, replace "56." with "57."

Page 12, line 9, replace "57." with "58."

Page 12, line 10, replace "58." with "59."

Page 14, after line 19, insert:

"SECTION 4. A new section to chapter 10-19.1 of the North Dakota Century Code is created and enacted as follows:

Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A corporation incorporated under or governed by this chapter is subject to this reserved right."

Page 15, line 8, overstrike "3." and remove the overstrike over "~~The following provisions govern a corporation unless modified in the articles:~~"

Page 21, line 2, replace "partners" with "portions"

Page 24, line 28, remove the overstrike over "~~shares~~" and remove "ownership"

Page 24, line 29, remove "interests"

Page 31, line 24, replace "ownership interests" with "shares"

Page 37, line 25, overstrike "ownership interests" and insert immediately thereafter "shares"

Page 38, line 29, overstrike "articles"

Page 38, line 30, after "~~organization~~" insert "originating records"

Page 43, line 13, after the underscored comma insert "if"

Page 47, line 17, overstrike "If the surviving organization is a" and remove "domestic"

Page 47, line 18, remove "organization", overstrike the comma, remove "then", overstrike "the" and insert immediately thereafter "The"

Page 53, line 28, remove "j." and overstrike "'Originating records" means for an organization which is:"

Page 53, overstrike lines 29 through 31

Page 54, overstrike lines 1 through 3

Page 60, line 12, overstrike "forty" and insert immediately thereafter "one hundred thirty-five"

Page 69, line 12, replace "a member" with "the members"

Page 71, after line 20, insert:

"44. "Originating records" means for an organization which is:

- a. A corporation, its articles of incorporation;
- b. A limited liability company, its articles of organization;
- c. A limited partnership, its certificate of limited partnership;
- d. A limited liability partnership, its registration; or
- e. A limited liability limited partnership, its certificate of limited liability limited partnership."

Page 71, line 21, overstrike "44." and insert immediately thereafter "45."

Page 71, line 26, overstrike "45." and insert immediately thereafter "46."

Page 72, line 5, overstrike "46." and insert immediately thereafter "47."

Page 72, line 11, overstrike "47." and insert immediately thereafter "48."

Page 72, line 18, overstrike "48." and insert immediately thereafter "49."

Page 72, line 24, overstrike "49." and insert immediately thereafter "50."

Page 72, line 26, overstrike "50." and insert immediately thereafter "51."

Page 72, line 29, overstrike "51." and insert immediately thereafter "52."

Page 73, line 8, overstrike "52." and insert immediately thereafter "53."

Page 73, line 12, overstrike "53." and insert immediately thereafter "54."

Page 73, line 14, overstrike "54." and insert immediately thereafter "55."

Page 73, line 15, overstrike "55." and insert immediately thereafter "56."

Page 73, line 19, overstrike "56." and insert immediately thereafter "57."

Page 74, line 3, overstrike "57." and insert immediately thereafter "58."

Page 74, line 15, overstrike "58." and insert immediately thereafter "59."

Page 74, line 19, overstrike "59." and insert immediately thereafter "60."

Page 74, line 24, overstrike "60." and insert immediately thereafter "61."

Page 74, line 31, overstrike "61." and insert immediately thereafter "62."

Page 75, line 1, overstrike "62." and insert immediately thereafter "63."

Page 75, line 4, overstrike "63." and insert immediately thereafter "64."

Page 75, after line 11, insert:

"SECTION 39. A new section to chapter 10-32 of the North Dakota Century Code is created and enacted as follows:

Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A limited liability company organized under or governed by this chapter is subject to this reserved right."

Page 81, line 29, replace "partners" with "portions"

Page 85, remove lines 18 through 29

Page 86, remove lines 1 through 3

Page 90, line 2, remove the overstrike over "~~securities~~"

Page 90, line 3, remove "ownership interests"

Page 90, line 6, remove the overstrike over "~~securities~~" and remove "ownership interests"

Page 92, line 12, remove the overstrike over "~~securities~~" and remove "ownership interests"

Page 92, line 19, remove the overstrike over "~~securities~~" and remove "ownership interests"

Page 98, line 20, overstrike "If the surviving organization is a" and remove "domestic"

Page 98, line 21, remove "organization", overstrike the comma, remove "then", and overstrike "the" and insert immediately thereafter "The"

Page 107, line 6, remove "Ownership interests" means for a domestic or foreign organization that is:"

Page 107, remove lines 7 through 13

Page 107, line 14, remove "30."

Page 107, line 19, remove the overstrike over "~~30.~~" and remove "31."

Page 107, line 21, remove the overstrike over "~~31.~~" and remove "32."

Page 107, line 24, remove the overstrike over "~~32.~~" and remove "33."

Page 108, line 4, remove the overstrike over "~~33.~~" and remove "34."

Page 108, line 8, remove the overstrike over "~~34.~~" and remove "35."

Page 108, line 22, remove the overstrike over "~~35.~~" and remove "36."

Page 109, line 3, remove the overstrike over "~~36.~~" and remove "37."

Page 109, line 7, remove the overstrike over "~~37.~~" and remove "38."

Page 109, line 8, remove the overstrike over "~~38.~~" and remove "39."

Page 109, after line 14, insert:

"SECTION 60. Section 10-33-01.3 of the North Dakota Century Code is created and enacted as follows:

10-33-01.3. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A corporation incorporated under or governed by this chapter is subject to this reserved right."

Page 118, after line 28, insert:

"SECTION 67. Section 10-34-02.1 of the North Dakota Century Code is created and enacted as follows:

10-34-02.1. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A real estate investment trust formed under or governed by this chapter is subject to this reserved right."

Page 119, after line 13, insert:

"SECTION 69. Section 45-10.2-06.1 of the North Dakota Century Code is created and enacted as follows:

45-10.2-06.1. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A limited partnership formed under or governed by this chapter is subject to this reserved right."

Page 121, after line 12, insert:

"SECTION 73. Section 45-13-02.1 of the North Dakota Century Code is created and enacted as follows:

45-13-02.1. Reservation of legislative right. The legislative assembly reserves the right to amend or repeal the provisions of this chapter. A partnership formed under or governed by this chapter is subject to this reserved right."

Renumber accordingly

2007 SENATE JUDICIARY

HB 1241

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1241

Senate Judiciary Committee

Check here for Conference Committee

Hearing Date: March 5, 2007

Recorder Job Number: 4403

Committee Clerk Signature *Mark L Solbey*

Minutes: Relating to Business Corporations Act.

Senator David Nething, Chairman called the Judiciary committee to order. All Senators were present. The hearing opened with the following hearing:

Testimony in Favor of the Bill:

Al Jaeger, Secretary of the State of ND introduced the bill as a bill. Spoke of this as of one of the duties of the Secretary of State. The bill is typical in each session. In 1993 the legislature adopted legislation my office and the State Bar Association on limited liability partnerships and other business entities. This bill makes corrections, changes and updates the tax code. He introduced Bill Guy and his background. He also referred to a one word mistake that occurred in drafting that we need to put an amendment on – Att. #1

William Guy III, ND Bus. Entity Drafting Task Force – Att. #2

Rep Nelson questioned (meter 6:40) on page 6, what are "assumable shares"? It is when a board could go to a shareholder and have a capital call, and spoke of it.

Sen. Nething state that we have six sections that govern the Common Business Entities, the changes repeat themselves. One third of the language is new and it repeats throughout the bill.

Sec. Jaeger stated the goal (meter 14:32) of his office is to keep the bills uniform and in structure order. He stated several statistics and spoke of last sessions good work.

Testimony Against the bill:

None

Testimony Neutral to the bill:

None

Senator David Nething, Chairman closed the hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1241

Senate Judiciary Committee

Check here for Conference Committee

Hearing Date: March 12, 2007

Recorder Job Number: 4880

Committee Clerk Signature *Maria L. Solberg*

Minutes: Relating to Business Corporation Act.

Senator David Nething, Chairman called the Judiciary committee to order. All Senators were present. The hearing opened with the following committee work:

Sen. Nething spoke to the minor amendment with the word typo.

Sen. Olafson made the motion to Do Pass Amendment – Att. #1 from today and **Sen. Nelson** seconded the motion. All members were in favor and the motion passes.

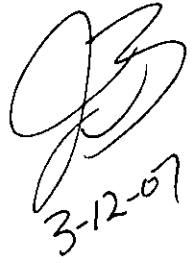
Sen. Lyson made the motion to Do Pass HB 1241 as amended and **Sen. Nelson** seconded the motion. All members were in favor and the motion passes.

Carrier: **Sen. Fiebiger**

Senator David Nething, Chairman closed the hearing.

78112.0202
Title.0300

Adopted by the Judiciary Committee
March 12, 2007



Handwritten signature and date: 3-12-07

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1241

Page 115, line 1, replace "partners" with "portions"

Renumber accordingly

Date: 3-12-07
Roll Call Vote # 1-0+ 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1241

Senate _____ Judiciary Committee _____

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Pass Amund ATT #1

Motion Made By Sen. Olafson Seconded By Sen. Nelson

Senators			Senators		
	Yes	No		Yes	No
Sen. Nothing	/		Sen. Flebiger	/	
Sen. Lyson					
Sen. Olafson					

Total Yes 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3-12-07
 Roll Call Vote # 2 of 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1241

Senate _____ Judiciary _____ Committee _____

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By Sen. Lyson Seconded By Sen. Nelson

Senators			Senators		
Senators	Yes	No	Senators	Yes	No
Sen. Nething	✓		Sen. Fieblger	✓	
Sen. Lyson	✓		Sen. Marcellais	✓	
Sen. Olafson	✓		Sen. Nelson	✓	

Total Yes 6 No 0

Absent 0

Floor Assignment Sen. Fieblger

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 13, 2007 1:00 p.m.

Module No: SR-47-5108
Carrier: Fleblger
Insert LC: 78112.0202 Title: .0300

REPORT OF STANDING COMMITTEE

HB 1241, as engrossed: Judiciary Committee (Sen. Nething, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1241 was placed on the Sixth order on the calendar.

Page 115, line 1, replace "partners" with "portions"

Renumber accordingly

2007 TESTIMONY

HB 1241