

House Research Act Summary

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Analyst: Deborah K. McKnight

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Overview

This bar association proposal modernizes the business corporations laws by providing that entities now governed by the old corporations law found in Minn. Stat. chapter 300 will be covered in Minn. Stat. chapter 302A, the Business Corporations Act. The act also repeals chapter 300. It applies chapter 302A to banks and insurance companies, except that article 2 exempts mutual insurance companies from the general operation of the bill. Since mutual insurance companies do not have stock, chapter 302A is not a good governance model for them. Instead, they would be governed on a model based on chapter 66A, which now covers property and casualty insurance companies.

This act is effective August 1, 2005.