

HOUSE RESEARCH

Bill Summary

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Subject: Minnesota Revised Uniform Limited Liability Company Act

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Overview

This bill makes clarifying and technical changes relating to the Minnesota Revised Uniform Limited Liability Company Act (“Revised Act”).

Section

- 1-14** **Corrects cross-reference.** Inserts references to the Revised Act.
- 15** **Grammar.** Makes grammatical changes.
- 16 - 18** **Fees.** States the fees for different filings, which are the same as the fees charged under the prior limited liability company act.
- 19** **Abilities of board.** Clarifies that the board of a board-managed company does not need approval from members to engage in business activities, like granting a security interest in company assets and transferring assets to subsidiaries. Consistent with the prior limited liability company act, a board-managed company is only required to receive member approval for activities such as dissolution, merger, or conversion of the company.
- 20** **Public benefit corporation.** Prohibits a company from converting into a public benefit corporation.
- 21, 22** **Clarification.** Clarifies that a company can convert to a domestic or foreign company under the Revised Act, even if a foreign jurisdiction uses different terms to describe the conversion.