

ONE HUNDRED SECOND LEGISLATURE - SECOND SESSION - 2012
COMMITTEE STATEMENT
LB1018

Hearing Date: Tuesday January 31, 2012
Committee On: Banking, Commerce and Insurance
Introducer: Conrad
One Liner: Change provisions relating to business mergers, consolidations, and conversions

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 8 Senators Christensen, Gloor, Langemeier, McCoy, Pahls, Pirsch, Schilz, Schumacher
Nay:
Absent:
Present Not Voting:

Proponents: Julia Holmquist Julie Karavas Larry Ruth Colleen Byelick	Representing: LA for Senator Danielle Conrad, Introducer NE State Bar Association NE Uniform Law Commission Secretary of State
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Opponents:	Representing:
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Neutral:	Representing:
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Summary of purpose and/or changes:

OVERVIEW

This bill would amend the Business Corporation Act, the Nebraska Uniform Limited Partnership Act, and the Uniform Partnership Act of 1998 to set forth procedures for business entity mergers, consolidations, and conversions.

BUSINESS CORPORATIONS

Section 1 would amend section 21-2001 of the Business Corporation Act to provide that sections 5 to 8 of the bill shall be codified within the act.

Section 2 would amend section 21-2005 of the Business Corporation Act to provide that the fee for filing articles of merger or share exchange shall apply to articles of conversions.

Sections 3 and 4 would amend sections 21-20,128 and 21-20,130 of the Business Corporation Act to set forth procedures for one or more domestic business corporations to merge with one or more domestic or foreign business corporations, domestic or foreign partnerships, domestic or foreign limited partnerships, or domestic or foreign limited liability companies.

Sections 5 to 8 would enact four new sections in the Business Corporation Act to set forth procedures for a domestic business corporation to convert into domestic or foreign limited liability company.

LIMITED PARTNERS

Section 9 would amend section 67-248.02 of the Nebraska Uniform Limited Partnership Act to set forth procedures for a domestic limited partnership to merge or consolidate with one or more domestic or foreign limited partnerships, domestic or foreign business corporations, domestic or foreign partnerships, or domestic or foreign limited liability companies.

Sections 10 to 12 would enact three new sections in the Nebraska Uniform Limited Partnership Act to set forth procedures for a domestic partnership to convert into a domestic or foreign limited liability company.

Section 13 would amend section 67-296 of the Nebraska Uniform Limited Partnership Act to provide that sections 10 to 12 of the bill shall be codified within the act.

PARTNERSHIPS

Section 14 would amend section 67-450 of the Uniform Partnership act of 1998 to repeal provisions no longer needed regarding limited partnerships.

MISCELLANEOUS PROVISIONS

Section 15 would provide for repealers of amendatory sections.

Explanation of amendments:

The committee amendments would provide that a domestic business corporation, when converting to a limited liability company, shall file a certificate of merger in the office of the register of deeds in each county in which the converting corporation owns real property.

The committee amendments would provide that, in provisions regarding approval of mergers, consolidations, or conversions of limited partnerships, references to limited partners who own more than a fifty percent interest in the profits mean partners who own "in the aggregate" more than a fifty percent interest in the profits.

Rich Pahls, Chairperson