

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB639

Chairperson: Senator Rich Pahls

Committee: Banking, Commerce and Insurance

Date of Hearing: February 22, 2011

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Legislative Bill 639 clarifies provisions of the Nebraska Uniform Limited Liability Company Act to state that both the articles of organization (if filed before 2011) or a certificate of organization (if filed after January 1, 2011) may be restated if a Limited Liability Company wishes to amend and refile in the Secretary of State's office the organizing document of the LLC.

In addition, LB 639 would change provisions of the Limited Liability Company statutes regarding the rights afforded to judgment creditors. Under LB 639, charging orders remain the exclusive remedy for a judgment creditor to enforce a judgment against the judgment debtor's interest in an LLC. The applicable provisions of Section 21-142 and 21-2654 would be changed to clarify that no creditor of a member of a limited liability company shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the limited liability company. The judgment creditor continues to have the rights to the distributions of proceeds from the LLC payable to the judgment debtor.

Principal Introducer: _____

Senator Paul Schumacher