

BUSINESS LAW SECTION 2011 LEGISLATIVE SESSION SUMMARY

Accomplishing anything was difficult during the 2011 session – only 93 bills were signed by Gov. Dayton. Because of that, we were pleased to achieve some success with the Business Law Section’s agenda. Below you’ll find a short summary of lobbying efforts related to your section’s initiatives.

Section-Supported Proposals

HF382/SF352 – Receiverships and Assignments For The Benefit Of Creditors

This proposal required significant work due to its size and complexity. It also created a steady stream of questions from other organizations and interest groups. After authors were secured, the bill received a long vetting in the House Civil Law Committee. Additional background work was done to create more comfort and understanding, and the bill then breezed through the House Judiciary Committee before passing off the House floor in early April. Unfortunately, the Senate Judiciary Committee was overloaded in 2011, and although it gave strong consideration to this proposal, the committee did not have time to hear it. However, as the session entered the final stretch, we got the bill language amended onto two other House bills to keep it alive and create additional opportunities for passage. Despite those efforts the bill did not reach the governor’s desk, but it remains poised for passage in 2012. **Total time: 55 hours**

HF444/SF194 – Article 9 Amendments

This bill moved through the Senate Judiciary Committee in early February and passed the Senate a month later. Soon thereafter it passed the House Commerce Committee but had to wait until near the committee deadline before it passed the House Civil Law Committee. The House, like the Senate, passed the bill unanimously. With the Uniform Laws Commissioners taking the lead, we provided lobbying support at the committee level and contacted Gov. Dayton’s staff after the bill cleared the Legislature to ensure that there were no questions or problems. During the session we also had to field numerous questions from legislators, staff, and other lobbyists. The Governor signed the bill as Session Laws Chapter 31. **Total time: 8 hours**

HF1643/SF1234 – Omnibus Secretary Of State Policy Bill

In mid-session your section noticed an error in MINN. STAT. §317A.255 that created in your section’s bill from the 2010 session. As a first option, we amended a fix onto your section’s receivership bill when it was on the House floor. That bill, of course, did not end up passing. Later, with a big assist from Bert Black, the same fix was inserted in the Secretary of State’s bill, which passed through multiple committees before clearing both chambers of the Legislature during the last week of session. Bert’s help was critical because there were very few viable bills that were germane enough to amend. **Total time: 7 hours**

HF1274/SF1104 – Revised Uniform Limited Liability Company Act

This bill was introduced but did not move. It remains alive for the second year of the biennium. **Total time: 3 hours**

Section Bills

HF1171 – Conditions Imposed On Nonprofits Receiving State Grants Or Appropriations

Your section provided technical feedback on this bill. Shortly thereafter it was removed from the agenda of the House Government Operations Committee. No further action was taken and no companion bill was introduced in the Senate. **Total time: 2 hours**

HF697 – Community Enhancement Corporations

HF764/SF1267 – Socially Responsible Corporations

We monitored these bills, which contained concepts your section expressed concern about long before the 2011 session started. No hearings were held but the bills remain alive for the second year of the biennium. **Total time: 4 hours**

HF1384/SF1084 – Charitable Organizations Fraudulent Transfers Act Exclusion

Your section provided technical feedback on this bill, which passed the House but was not heard in the Senate. We were approached by interest groups on both sides of this issue who were hoping for Bar support. **Total time: 2 hours**