

Session of 2025

HOUSE BILL No. 2371

By Committee on Judiciary

Requested by Joe Molina on behalf of the Kansas Bar Association

Prepared by: Office of Revisor of Statutes

2-7

1 AN ACT concerning business entities; relating to the Kansas revised
2 limited liability company act; providing for document form, signature
3 and delivery options; specifying that a subscription for a limited
4 liability company interest is irrevocable under certain circumstances;
5 modifying requirements related to domestic limited liability company
6 division, certificates of division and certificates of amendment of
7 certificate of division and certificates of merger or consolidation of
8 series; relating to the business entity transactions act; modifying
9 requirements related to certificates of merger, certificates of interest
10 exchange, certificates of conversion and certificates of domestication;
11 relating to the business entity standard treatment act; including
12 certificates of amendment to certificate of designation and certificates
13 of merger or consolidation of series as documents related to limited
14 liability companies to be filed with the secretary of state; specifying
15 circumstances under which changes related to a resident agent shall be
16 deemed a change of name of the person or entity acting as a resident
17 agent; amending K.S.A. 17-7662, 17-7663, 17-7668, 17-7670, 17-
18 7681, 17-7682, 17-7685a, 17-7686, 17-7687, 17-7690, 17-7695, 17-
19 7698, ~~17-76,143, 17-76,143a,~~ 17-76,145, 17-76,146, 17-76,148, 17-
20 76,149, 17-76,151, 17-76,152, 17-78-205, 17-78-206, 17-78-305, 17-
21 78-306, 17-78-405, 17-78-505, 17-7904, 17-7925, 17-7927 and 17-
22 7929 and K.S.A. 2024 Supp. 17-76,136 and repealing the existing
23 sections; also repealing K.S.A. 17-76,150.

Strike in line 19

24
25 *Be it enacted by the Legislature of the State of Kansas:*

26 New Section 1. (a) (1) Except as provided in subsection (b), without
27 limiting the manner in which any act or transaction may be documented or
28 the manner in which a document may be signed or delivered:

29 (A) Any act or transaction contemplated or governed by the Kansas
30 revised limited liability company act or the operating agreement may be
31 provided for in a document, and an electronic transmission is the
32 equivalent of a written document.

33 (B) Whenever the Kansas revised limited liability company act or the
34 operating agreement requires or permits a signature, the signature may be
35 a manual, facsimile, conformed or electronic signature. "Electronic

1 (e) "Electronic transmission" means any form of communication not
2 directly involving the physical transmission of paper, including the use of,
3 or participation in, one or more electronic networks or databases,
4 including one or more distributed electronic networks or databases, that
5 creates a record that may be retained, retrieved and reviewed by a
6 recipient thereof and directly reproduced in paper form by such a recipient
7 through an automated process.

8 (f) "Foreign limited liability company" means a limited liability
9 company formed under the laws of any state or under the laws of any
10 foreign country or other foreign jurisdiction. When used in the Kansas
11 revised limited liability company act in reference to a foreign limited
12 liability company, the terms "operating agreement," "limited liability
13 company interest," "manager" or "member" shall mean an operating
14 agreement, limited liability company interest, manager or member,
15 respectively, under the laws of the state or foreign country or other foreign
16 jurisdiction under which the foreign limited liability company is formed.

17 (g) "Knowledge" means a person's actual knowledge of a fact,
18 rather than the person's constructive knowledge of the fact.

19 (h) "Limited liability company" and "domestic limited liability
20 company" means mean a limited liability company formed under the laws
21 of the state of Kansas and having one or more members.

22 (i) "Limited liability company interest" means a member's share of
23 the profits and losses of a limited liability company and a member's right
24 to receive distributions of the limited liability company's assets.

25 (j) "Liquidating trustee" means a person carrying out the winding
26 up of a limited liability company.

27 (k) "Manager" means a person who is named as a manager of a
28 limited liability company in, or designated as a manager of a limited
29 liability company pursuant to, an operating agreement or similar
30 instrument under which the limited liability company is formed.

31 ~~"Manager" includes a manager of the limited liability company generally~~
32 ~~and a manager associated with a series of the limited liability company.~~
33 ~~Unless the context otherwise requires, references in the Kansas revised~~
34 ~~limited liability company act to a manager, including references in the~~
35 ~~Kansas revised limited liability company act to a manager of a limited~~
36 ~~liability company, shall be deemed to be references to a manager of the~~
37 ~~limited liability company generally and to a manager associated with a~~
38 ~~series with respect to such series.~~

39 (l) "Member" means a person who is admitted to a limited liability
40 company as a member as provided in K.S.A. 17-7686, and amendments
41 thereto. ~~"Member" includes a member of the limited liability company~~
42 ~~generally and a member associated with a series of the limited liability~~
43 ~~company. Unless the context otherwise requires, references in the Kansas~~

Strike all in lines 31-38

Strike in lines 41-43

~~revised limited liability company act to a member, including references in the Kansas revised limited liability company act to a member of a limited liability company, shall be deemed to be references to a member of the limited liability company generally and to a member associated with a series with respect to such series.~~

Strike all in lines 1-5

(k)(m) "Operating agreement" means any agreement, whether referred to as an operating agreement, limited liability company agreement or otherwise, written, oral, or implied, of the member or members as to the affairs of a limited liability company and the conduct of its business. A member or manager of a limited liability company or an assignee of a limited liability company interest is bound by the operating agreement whether or not the member or manager or assignee executes the operating agreement. A limited liability company, ~~including any series thereof,~~ is not required to execute its operating agreement. A limited liability company, ~~including any series thereof,~~ is bound by its operating agreement whether or not the limited liability company, ~~or any series thereof,~~ executes the operating agreement. An operating agreement of a limited liability company having only one member shall not be unenforceable by reason of there being only one person who is a party to the operating agreement. An operating agreement is not subject to any statute of frauds, including K.S.A. 33-106, and amendments thereto. An operating agreement may provide rights to any person, including a person who is not a party to the operating agreement, to the extent set forth therein. A written operating agreement or another written agreement or writing:

Strike in lines 13-16

(1) May provide that a person shall be admitted as a member of a limited liability company, or shall become an assignee of a limited liability company interest or other rights or powers of a member to the extent assigned:

(A) If such person, or a representative authorized by such person orally, in writing or by other action such as payment for a limited liability company interest, executes the operating agreement or any other writing evidencing the intent of such person to become a member or assignee; or

(B) without such execution, if such person, or a representative authorized by such person orally, in writing or by other action such as payment for a limited liability company interest, complies with the conditions for becoming a member or assignee as set forth in the operating agreement or any other writing; ~~and~~

(2) shall not be unenforceable by reason of its not having been signed by a person being admitted as a member or becoming an assignee as provided in subsection (k)(1), or by reason of its having been signed by a representative as provided in the Kansas revised limited liability company act; ~~and~~

(3) may consist of one or more agreements, instruments or other

1 *writings and include or incorporate one or more schedules, supplements*
2 *or other writings containing provisions as to the conduct of the business*
3 *and affairs of the limited liability company or any series thereof.*

Strike in line 3

4 (n) "Person" means a natural person, partnership, whether general
5 or limited, limited liability company, trust, including a common law trust,
6 business trust, statutory trust, voting trust or any other form of trust, estate,
7 association, including any group, organization, ~~co-tenancy~~ cotenancy, plan,
8 board, council or committee, corporation, government, including a
9 country, state, county or any other governmental subdivision, agency or
10 instrumentality, custodian, nominee or any other individual or entity, or
11 series thereof, in its own or any representative capacity, in each case,
12 whether domestic or foreign.

13 (o) "Personal representative" means, as to a natural person, the
14 executor, administrator, guardian, conservator or other legal representative
15 thereof and, as to a person other than a natural person, the legal
16 representative or successor thereof.

17 (p) "Series" means a designated series of members, managers,
18 limited liability company interests or assets that is established in
19 accordance with K.S.A. 17-76,143, and amendments thereto.

20 (q) "State" means the District of Columbia or the commonwealth
21 of Puerto Rico or any state, territory, possession or other jurisdiction of the
22 United States other than the state of Kansas.

23 Sec. 5. K.S.A. 17-7668 is hereby amended to read as follows: 17-
24 7668. (a) Unless otherwise specifically prohibited by law, a limited
25 liability company may carry on any lawful business, purpose or activity,
26 whether or not for profit with the exception of the business of granting
27 policies of insurance, or assuming insurance risks or banking as defined in
28 K.S.A. 9-702, and amendments thereto.

29 (b) A limited liability company shall possess and may exercise all the
30 powers and privileges granted by this act or by any other law or by its
31 operating agreement, together with any powers incidental thereto,
32 including such powers and privileges as are necessary or convenient to the
33 conduct, promotion or attainment of the business, purposes or activities of
34 the limited liability company.

35 (c) A limited liability company organized and existing under the
36 Kansas revised limited liability company act or otherwise qualified to do
37 business in Kansas may have and exercise all powers that may be
38 exercised by a Kansas professional association or professional corporation
39 under the professional corporation law of Kansas, including employment
40 of professionals to practice a profession, which shall be limited to the
41 practice of one profession, except as provided in K.S.A. 17-2710, and
42 amendments thereto.

43 (d) Only a qualified person may be a member of a limited liability

1 construed to restrict a member's or manager's power and authority to
2 delegate any or all of its rights, powers, and duties to manage and control
3 the business and affairs of the limited liability company.

4 Sec. 15. K.S.A. 2024 Supp. 17-76,136 is hereby amended to read as
5 follows: 17-76,136. (a) The secretary of state shall charge each domestic
6 and foreign limited liability company the following fees:

7 (1) A fee of \$20 for issuing or filing and indexing any of the
8 following documents:

9 (A) A certificate of amendment of articles of organization;

10 (B) restated articles of organization;

11 (C) a certificate of cancellation, which shall be multiplied by the
12 number of series of the limited liability company named in the certificate
13 of cancellation;

14 (D) a certificate of change of location of registered office or resident
15 agent;

16 (E) a certificate of merger or consolidation;

17 (F) a certificate of division; and

18 (G) any certificate, affidavit, agreement or any other paper provided
19 for in the Kansas revised limited liability company act, for which no
20 different fee is specifically prescribed;

21 (2) a fee of \$7.50 for each certified copy, regardless of whether the
22 secretary of state supplies the copy;

23 (3) a fee of \$7.50 for each certificate of good standing, including a
24 certificate of good standing for a series of a limited liability company,
25 issued by the secretary of state; and

26 (4) a fee of \$20 for a copy of an instrument on file or prepared by the
27 secretary of state's office, whether or not the copy is certified.

28 (b) Every limited liability company hereafter formed in this state shall
29 pay to the secretary of state, at the time of filing its articles of organization,
30 an application and recording fee ~~of established by rules and regulations of~~
31 ~~the secretary of state, except that such fee shall not exceed \$150.~~

32 (c) At the time of filing its application to do business, every foreign
33 limited liability company shall pay to the secretary of state an application
34 and recording fee ~~of established by rules and regulations of the secretary~~
35 ~~of state, except that such fee shall not exceed \$150.~~

36 (d) The fee for filing a certificate of reinstatement shall be the same
37 as that prescribed by K.S.A. 17-7506, and amendments thereto, for filing a
38 certificate of reinstatement of a corporation's articles of incorporation.

39 ~~Sec. 16. K.S.A. 17-76,143 is hereby amended to read as follows: 17-~~
40 ~~76,143. (a) An operating agreement may establish or provide for the~~
41 ~~establishment of one or more designated series of members, managers,~~
42 ~~limited liability company interests or assets. If an operating agreement so~~
43 ~~provides for the establishment or formation of one or more series, then a~~

Strike all in lines 39-43

Strike all on page 30

1 ~~series may be formed by complying with this section. Any such series may~~
2 ~~have separate rights, powers or duties with respect to specified property or~~
3 ~~obligations of the limited liability company or profits and losses associated~~
4 ~~with specified property or obligations, and to the extent provided in the~~
5 ~~operating agreement, any such series may have a separate business~~
6 ~~purpose or investment objective. A series is formed by the filing of a~~
7 ~~certificate of designation in the office of the secretary of state. Other than~~
8 ~~pursuant to K.S.A. 17-76,143a, and amendments thereto, a series may not~~
9 ~~merge, convert, or consolidate pursuant to any section of the Kansas~~
10 ~~revised limited liability company act, the business entity transactions act,~~
11 ~~K.S.A. 17-78-101 et seq., and amendments thereto, or any other statute of~~
12 ~~this state.~~

13 ~~(b) Notice of the limitation on liabilities of a series as referenced in~~
14 ~~subsection (c) shall be set forth in the articles of organization of the limited~~
15 ~~liability company. Notice in articles of organization of the limitation on~~
16 ~~liabilities of a series as referenced in subsection (c) shall be sufficient for~~
17 ~~all purposes of this subsection whether or not the limited liability company~~
18 ~~has formed any series when such notice is included in the articles of~~
19 ~~organization, and there shall be no requirement that any specific series of~~
20 ~~the limited liability company be referenced in such notice. The fact that~~
21 ~~articles of organization that contain the foregoing notice of the limitation~~
22 ~~on liabilities of a series is on file in the office of the secretary of state shall~~
23 ~~constitute notice of such limitation on liabilities of a series.~~

24 ~~(c) Notwithstanding anything to the contrary set forth in the Kansas~~
25 ~~revised limited liability company act or under other applicable law, in the~~
26 ~~event that an operating agreement establishes or provides for the~~
27 ~~establishment of one or more series, and if to the extent the records~~
28 ~~maintained for any series account for the assets associated with such series~~
29 ~~separately from the other assets of the limited liability company, or any~~
30 ~~other series thereof, and if the operating agreement so provides, and if~~
31 ~~notice of the limitation on liabilities of a series as referenced in this~~
32 ~~subsection is set forth in the articles of organization of the limited liability~~
33 ~~company and if the limited liability company has filed a certificate of~~
34 ~~designation for each series which that is to have limited liability under this~~
35 ~~section, then the debts, liabilities, obligations and expenses incurred,~~
36 ~~contracted for or otherwise existing with respect to such series shall be~~
37 ~~enforceable against the assets of such series only, and not against the assets~~
38 ~~of the limited liability company generally or any other series thereof, and,~~
39 ~~unless otherwise provided in the operating agreement, none of the debts,~~
40 ~~liabilities, obligations and expenses incurred, contracted for or otherwise~~
41 ~~existing with respect to the limited liability company generally or any~~
42 ~~other series thereof shall be enforceable against the assets of such series.~~
43 ~~Neither the preceding sentences nor any provision pursuant thereto in an~~

Strike all on page 31

1 ~~operating agreement, articles of organization or certificate of designation~~
2 ~~shall. Restrict a series or limited liability company on behalf of a series~~
3 ~~from agreeing in the operating agreement or otherwise that any or all of~~
4 ~~the debts, liabilities, obligations, and expenses incurred, contracted for, or~~
5 ~~otherwise existing with respect to the limited liability company generally~~
6 ~~or any other series thereof shall be enforceable against the assets of such~~
7 ~~series; or restrict a limited liability company from agreeing in the~~
8 ~~operating agreement or otherwise that any or all of the debts, liabilities,~~
9 ~~obligations, and expenses incurred, contracted for, or otherwise existing~~
10 ~~with respect to a series shall be enforceable against the assets of the~~
11 ~~limited liability company generally. Assets associated with a series may be~~
12 ~~held directly or indirectly, including in the name of such series, in the~~
13 ~~name of the limited liability company, through a nominee or otherwise.~~
14 ~~Records maintained for a series that reasonably identify its assets,~~
15 ~~including by specific listing, category, type, quantity, computational, or~~
16 ~~allocational formula or procedure, including a percentage or share of any~~
17 ~~asset or assets, or by any other method where the identity of such assets is~~
18 ~~objectively determinable, will be deemed to account for the assets~~
19 ~~associated with such series separately from the other assets of the limited~~
20 ~~liability company, or any other series thereof. As used in the Kansas~~
21 ~~revised limited liability company act, a reference to assets of a series~~
22 ~~includes assets associated with such series, a reference to assets associated~~
23 ~~with a series includes assets of such series, a reference to members or~~
24 ~~managers of a series includes members or managers associated with such~~
25 ~~series, and a reference to members or managers associated with a series~~
26 ~~includes members or managers of such series. The following shall apply to~~
27 ~~a series:~~

28 ~~(1) A series may carry on any lawful business, purpose or activity,~~
29 ~~whether or not for profit, with the exception of the business of granting~~
30 ~~policies of insurance, assuming insurance risks, or banking as defined in~~
31 ~~K.S.A. 9-702, and amendments thereto. Unless otherwise provided in an~~
32 ~~operating agreement, a series shall have the power and capacity to, in its~~
33 ~~own name, contract, hold title to assets, including real, personal, and~~
34 ~~intangible property, grant liens and security interests, and sue and be sued.~~

35 ~~(2) Except as otherwise provided by the Kansas revised limited~~
36 ~~liability company act, no member or manager of a series shall be obligated~~
37 ~~personally for any debt, obligation or liability of such series, whether~~
38 ~~arising in contract, tort or otherwise, solely by reason of being a member~~
39 ~~or acting as manager of such series. Notwithstanding the preceding~~
40 ~~sentence, under an operating agreement or under another agreement, a~~
41 ~~member or manager may agree to be obligated personally for any or all of~~
42 ~~the debts, obligations and liabilities of one or more series.~~

43 ~~(3) An operating agreement may provide for classes or groups of~~

Strike all on page 32

1 ~~members or managers associated with a series having such relative rights,~~
2 ~~powers and duties as the operating agreement may provide, and may make~~
3 ~~provision for the future creation in the manner provided in the operating~~
4 ~~agreement of additional classes or groups of members or managers~~
5 ~~associated with such series having such relative rights, powers and duties~~
6 ~~as may from time to time be established, including rights, powers and~~
7 ~~duties senior to existing classes and groups of members or managers~~
8 ~~associated with such series. An operating agreement may provide for the~~
9 ~~taking of an action, including the amendment of the operating agreement,~~
10 ~~without the vote, consent or approval of any member or manager or class~~
11 ~~or group of members or managers, including an action to create under the~~
12 ~~provisions of the operating agreement a class or group of a series of~~
13 ~~limited liability company interests that was not previously outstanding. An~~
14 ~~operating agreement may provide that any member or class or group of~~
15 ~~members associated with a series shall have no voting rights.~~

16 ~~(4) An operating agreement may grant to all or certain identified~~
17 ~~members or managers or a specified class or group of the members or~~
18 ~~managers associated with a series the right to vote separately or with all or~~
19 ~~any class or group of the members or managers associated with such~~
20 ~~series, on any matter. Voting by members or managers associated with a~~
21 ~~series may be on a per capita, number, financial interest, class, group or~~
22 ~~any other basis.~~

23 ~~(5) Unless otherwise provided in an operating agreement, the~~
24 ~~management of a series shall be vested in the members associated with~~
25 ~~such series in proportion to the then-current percentage or other interest of~~
26 ~~members in the profits of such series owned by all of the members~~
27 ~~associated with such series, the decision of members owning more than~~
28 ~~50% of such percentage or other interest in the profits controlling, except~~
29 ~~that if an operating agreement provides for the management of a series, in~~
30 ~~whole or in part, by a manager, the management of such series, to the~~
31 ~~extent so provided, shall be vested in the manager who shall be chosen in~~
32 ~~the manner provided in the operating agreement. The manager of a series~~
33 ~~shall also hold the offices and have the responsibilities accorded to the~~
34 ~~manager as set forth in an operating agreement. A series may have more~~
35 ~~than one manager. Subject to K.S.A. 17-76,105, and amendments thereto,~~
36 ~~a manager shall cease to be a manager with respect to a series as provided~~
37 ~~in an operating agreement. Except as otherwise provided in an operating~~
38 ~~agreement, any event under the Kansas revised limited liability company~~
39 ~~act or in an operating agreement that causes a manager to cease to be a~~
40 ~~manager with respect to a series shall not, in itself, cause such manager to~~
41 ~~cease to be a manager of the limited liability company or with respect to~~
42 ~~any other series thereof.~~

43 ~~(6) Notwithstanding K.S.A. 17-76,109, and amendments thereto, but~~

Strike all on page 33

1 ~~subject to subsections (c)(7) and (c)(10), and unless otherwise provided in~~
2 ~~an operating agreement, at the time a member of a series becomes entitled~~
3 ~~to receive a distribution with respect to such series, the member has the~~
4 ~~status of, and is entitled to all remedies available to, a creditor of such~~
5 ~~series, with respect to the distribution. An operating agreement may~~
6 ~~provide for the establishment of a record date with respect to allocations~~
7 ~~and distributions with respect to a series.~~

8 ~~(7) Notwithstanding K.S.A. 17-76,110(a), and amendments thereto, a~~
9 ~~limited liability company may make a distribution with respect to a series.~~
10 ~~A limited liability company shall not make a distribution with respect to a~~
11 ~~series to a member to the extent that at the time of the distribution, after~~
12 ~~giving effect to the distribution, all liabilities of such series, other than~~
13 ~~liabilities to members on account of their limited liability company~~
14 ~~interests with respect to such series and liabilities for which the recourse of~~
15 ~~creditors is limited to specified property of such series, exceed the fair~~
16 ~~value of the assets associated with such series, except that the fair value of~~
17 ~~property of such series that is subject to a liability for which the recourse~~
18 ~~of creditors is limited shall be included in the assets associated with such~~
19 ~~series only to the extent that the fair value of that property exceeds that~~
20 ~~liability. For purposes of the immediately preceding sentence, the term~~
21 ~~"distribution" shall not include amounts constituting reasonable~~
22 ~~compensation for present or past services or reasonable payments made in~~
23 ~~the ordinary course of business pursuant to a bona fide retirement plan or~~
24 ~~other benefits program. A member who receives a distribution in violation~~
25 ~~of this subsection, and who knew at the time of the distribution that the~~
26 ~~distribution violated this subsection, shall be liable to the series for the~~
27 ~~amount of the distribution. A member who receives a distribution in~~
28 ~~violation of this subsection, and who did not know at the time of the~~
29 ~~distribution that the distribution violated this subsection, shall not be liable~~
30 ~~for the amount of the distribution. Subject to K.S.A. 17-76,110(c), and~~
31 ~~amendments thereto, which shall apply to any distribution made with~~
32 ~~respect to a series under this subsection, this subsection shall not affect any~~
33 ~~obligation or liability of a member under an agreement or other applicable~~
34 ~~law for the amount of a distribution.~~

35 ~~(8) Unless otherwise provided in the operating agreement, a member~~
36 ~~shall cease to be associated with a series and to have the power to exercise~~
37 ~~any rights or powers of a member with respect to such series upon the~~
38 ~~assignment of all of the member's limited liability company interest with~~
39 ~~respect to such series. Except as otherwise provided in an operating~~
40 ~~agreement, any event under the Kansas revised limited liability company~~
41 ~~act or an operating agreement that causes a member to cease to be~~
42 ~~associated with a series shall not, in itself, cause such member to cease to~~
43 ~~be associated with any other series or terminate the continued membership~~

Strike all on page 34

1 of a member in the limited liability company or cause the dissolution of
2 the series, regardless of whether such member was the last remaining
3 member associated with such series.

4 (9) Subject to K.S.A. 17-76,116, and amendments thereto, except to
5 the extent otherwise provided in the operating agreement, a series may be
6 dissolved and its affairs wound up without causing the dissolution of the
7 limited liability company. The dissolution of a series shall not affect the
8 limitation on liabilities of such series provided by this subsection (e). A
9 series is dissolved and its affairs shall be wound up upon the dissolution of
10 the limited liability company under K.S.A. 17-76,116, and amendments
11 thereto, or otherwise upon the first to occur of the following:

12 (A) At the time specified in the operating agreement;

13 (B) upon the happening of events specified in the operating
14 agreement;

15 (C) unless otherwise provided in the operating agreement, upon the
16 vote, consent or approval of members associated with such series who own
17 $\frac{2}{3}$ or more of the then-current percentage or other interest in the profits of
18 such series of the limited liability company owned by all of the members
19 associated with such series; or

20 (D) the dissolution of such series under subsection (c)(11).

21 (10) Notwithstanding K.S.A. 17-76,118(a), and amendments thereto,
22 unless otherwise provided in the operating agreement, a manager
23 associated with a series who has not wrongfully dissolved such series or, if
24 none, the members associated with such series or a person consented to or
25 approved by the members associated with such series, in either case, by
26 members who own more than 50% of the then-current percentage or other
27 interest in the profits of such series owned by all of the members
28 associated with such series, may wind up the affairs of such series, but the
29 district court, upon cause shown, may wind up the affairs of a series upon
30 application of any member or manager associated with such series, or the
31 member's personal representative or assignee, and in connection therewith,
32 may appoint a liquidating trustee. The persons winding up the affairs of a
33 series may, in the name of the limited liability company and for and on
34 behalf of the limited liability company and such series, take all actions
35 with respect to such series as are permitted under K.S.A. 17-76,118(b), and
36 amendments thereto. The persons winding up the affairs of a series shall
37 provide for the claims and obligations of such series and distribute the
38 assets of such series as provided in K.S.A. 17-76,119, and amendments
39 thereto, which section shall apply to the winding up and distribution of
40 assets of a series. Actions taken in accordance with this subsection shall
41 not affect the liability of members and shall not impose liability on a
42 liquidating trustee.

43 (11) On application by or for a member or manager associated with a

Strike all on page 35

1 ~~series, the district court may decree dissolution of such series whenever it~~
2 ~~is not reasonably practicable to carry on the business of such series in~~
3 ~~conformity with an operating agreement.~~

4 ~~(12) For all purposes of the laws of the state of Kansas, a series is an~~
5 ~~association, regardless of the number of members or managers, if any, of~~
6 ~~such series.~~

7 ~~(d) In order to form a series of a limited liability company, a~~
8 ~~certificate of designation must be filed in accordance with this subsection.~~

9 ~~(1) (A) A certificate of designation shall set forth:~~

10 ~~(i) The name of the limited liability company; and~~

11 ~~(ii) the name of the series.~~

12 ~~(B) A certificate of designation may include any other matter that the~~
13 ~~members of such series determine to include therein.~~

14 ~~(C) A certificate of designation properly filed with the secretary of~~
15 ~~state prior to July 1, 2020, shall be deemed to comply with the~~
16 ~~requirements of this paragraph.~~

17 ~~(2) A certificate of designation shall be executed in accordance with~~
18 ~~K.S.A. 17-7908(b), and amendments thereto, and shall be filed in the~~
19 ~~office of the secretary of state in accordance with K.S.A. 17-7910, and~~
20 ~~amendments thereto. A certificate of designation is not an amendment to~~
21 ~~the articles of organization of the limited liability company.~~

22 ~~(3) A certificate of designation may be amended by filing a certificate~~
23 ~~of amendment thereto in the office of the secretary of state.~~

24 ~~(A) The certificate of amendment of certificate of designation shall~~
25 ~~set forth:~~

26 ~~(i) The name of the limited liability company;~~

27 ~~(ii) the name of the series; and~~

28 ~~(iii) the amendment to the certificate of designation.~~

29 ~~(B) A certificate of designation properly filed with the secretary of~~
30 ~~state prior to July 1, 2020, that changed a previously filed certificate of~~
31 ~~designation shall be deemed to be a certificate of amendment thereto for~~
32 ~~purposes of this paragraph.~~

33 ~~(4) A manager of a series or, if there is no manager, then any member~~
34 ~~of a series who becomes aware that any statement in a certificate of~~
35 ~~designation filed with respect to such series was false when made, or that~~
36 ~~any matter described therein has changed making the certificate of~~
37 ~~designation false in any material respect or noncompliant with subsection~~
38 ~~(e)(1), shall promptly amend the certificate of designation.~~

39 ~~(5) A certificate of designation may be amended at any time for any~~
40 ~~other proper purpose.~~

41 ~~(6) Unless otherwise provided in the Kansas revised limited liability~~
42 ~~company act or unless a later effective date or time, which shall be a date~~
43 ~~or time certain, is provided for in the certificate of amendment of~~

Strike all on page 36

1 ~~certificate of designation, a certificate of amendment of certificate of~~
2 ~~designation shall be effective at the time of its filing with the secretary of~~
3 ~~state.~~

4 ~~(7) A certificate of designation shall be canceled upon the~~
5 ~~cancellation of the articles of organization of the limited liability company~~
6 ~~named in the certificate of designation, or upon the filing of a certificate of~~
7 ~~cancellation of the certificate of designation, or upon the future effective~~
8 ~~date or time of a certificate of cancellation of the certificate of designation,~~
9 ~~or as provided in K.S.A. 17-76,139(d)(g), and amendments thereto, or~~
10 ~~upon the filing of a certificate of merger or consolidation if the of a series~~
11 ~~if the series is not the surviving or resulting series in a merger or~~
12 ~~consolidation or upon the future effective date or time of a certificate of~~
13 ~~merger or consolidation of a series if the series is not the surviving or~~
14 ~~resulting series in a merger or consolidation. A certificate of cancellation~~
15 ~~of the certificate of designation may be filed at any time, and shall be filed,~~
16 ~~in the office of the secretary of state to accomplish the cancellation of a~~
17 ~~certificate of designation upon the dissolution of a series for which a~~
18 ~~certificate of designation was filed and completion of the winding up of~~
19 ~~such series.~~

20 ~~(A) A certificate of cancellation of the certificate of designation shall~~
21 ~~set forth:~~

- 22 ~~(i) The name of the limited liability company;~~
23 ~~(ii) the name of the series;~~
24 ~~(iii) the future effective date or time, which shall be a date or time~~
25 ~~certain, of cancellation if it is not to be effective upon the filing of the~~
26 ~~certificate of cancellation; and~~
27 ~~(iv) any other information the person filing the certificate of~~
28 ~~cancellation of the certificate of designation determines.~~

29 ~~(B) A certificate of designation properly filed with the secretary of~~
30 ~~state prior to July 1, 2020, that dissolved a series shall be deemed to be a~~
31 ~~certificate of cancellation thereto for purposes of this paragraph.~~

32 ~~(8) A certificate of cancellation of the certificate of designation that is~~
33 ~~filed in the office of the secretary of state prior to the dissolution or the~~
34 ~~completion of winding up of a series may be corrected as an erroneously~~
35 ~~executed certificate of cancellation of the certificate of designation by~~
36 ~~filing with the office of the secretary of state a certificate of correction of~~
37 ~~such certificate of cancellation of the certificate of designation in~~
38 ~~accordance with K.S.A. 17-7912, and amendments thereto.~~

39 ~~(9) The secretary of state shall not issue a certificate of good standing~~
40 ~~with respect to a series if the certificate of designation is canceled or the~~
41 ~~limited liability company has ceased to be in good standing.~~

42 ~~(e) The name of each series as set forth in its certificate of~~
43 ~~designation:~~

Strike all on page 37

1 ~~(1) Shall include the name of the limited liability company, including~~
2 ~~any word, abbreviation or designation required by K.S.A. 17-7920, and~~
3 ~~amendments thereto;~~

4 ~~(2) may contain the name of a member or manager;~~

5 ~~(3) must comply with the requirements of K.S.A. 17-7918, and~~
6 ~~amendments thereto, to the same extent as a covered entity; and~~

7 ~~(4) may contain any word permitted by K.S.A. 17-7920, and~~
8 ~~amendments thereto, and may not contain any word prohibited to be~~
9 ~~included in the name of a limited liability company under Kansas law.~~

10 ~~(f) If a foreign limited liability company that is registered to do~~
11 ~~business in this state in accordance with K.S.A. 17-7931, and amendments~~
12 ~~thereto, is governed by an operating agreement that establishes or provides~~
13 ~~for the establishment of a series of members, managers, limited liability~~
14 ~~company interests or assets having separate rights, powers or duties with~~
15 ~~respect to specified property or obligations of the foreign limited liability~~
16 ~~company or profits and losses associated with specified property or~~
17 ~~obligations, that fact shall be so stated on the application for registration as~~
18 ~~a foreign limited liability company. In addition, the foreign limited liability~~
19 ~~company shall state on such application whether the debts, liabilities and~~
20 ~~obligations incurred, contracted for or otherwise existing with respect to a~~
21 ~~particular series, if any, are enforceable against the assets of such series~~
22 ~~only, and not against the assets of the foreign limited liability company~~
23 ~~generally or any other series thereof, and whether any of the debts,~~
24 ~~liabilities, obligations and expenses incurred, contracted for or otherwise~~
25 ~~existing with respect to the foreign limited liability company generally or~~
26 ~~any other series thereof shall be enforceable against the assets of such~~
27 ~~series.~~

28 ~~(g) (1) If an operating agreement provides the manner in which a~~
29 ~~dissolution of a series may be revoked, it may be revoked in such manner~~
30 ~~and, unless the limited liability company has dissolved and such~~
31 ~~dissolution has not been revoked or the operating agreement prohibits~~
32 ~~revocation of dissolution of a series, then notwithstanding the occurrence~~
33 ~~of an event set forth in subsection (c)(9)(A) through (C), the series shall~~
34 ~~not be dissolved and the series' affairs shall not be wound up if, prior to~~
35 ~~the filing of a certificate of cancellation of the certificate of designation in~~
36 ~~the office of the secretary of state, the series is continued, effective as of~~
37 ~~the occurrence of such event.~~

38 ~~(A) In the case of dissolution effected by the vote or consent of the~~
39 ~~members associated with the series, or other persons whose approval is~~
40 ~~required for such dissolution pursuant to the operating agreement~~
41 ~~pursuant to such vote or consent, and the approval of any members~~
42 ~~associated with the series or other persons whose approval is required~~
43 ~~under the operating agreement to revoke a dissolution contemplated by~~

Strike all on page 38

1 ~~this paragraph; and~~

2 ~~(B) in the case of dissolution under subsection (c)(9)(A) or (B), other~~
3 ~~than a dissolution effected by the vote or consent of the members~~
4 ~~associated with the series, or other persons whose approval is required for~~
5 ~~such dissolution pursuant to the operating agreement, pursuant to such~~
6 ~~vote or consent that, pursuant to the terms of the operating agreement, is~~
7 ~~required to amend the provision of the operating agreement effecting such~~
8 ~~dissolution, and the approval of any members associated with the series or~~
9 ~~other persons whose approval is required under the operating agreement~~
10 ~~to revoke a dissolution contemplated by this paragraph.~~

11 ~~(2) If a series is dissolved by the dissolution of the limited liability~~
12 ~~company, unless a certificate of cancellation of the certificate of~~
13 ~~designation with respect to such series has been filed in the office of the~~
14 ~~secretary of state or the operating agreement prohibits revocation of~~
15 ~~dissolution of the series, the dissolution of the series shall be~~
16 ~~automatically revoked upon any revocation of dissolution of the limited~~
17 ~~liability company in accordance with K.S.A. 17-76, 145, and amendments~~
18 ~~thereto.~~

19 ~~(3) The provisions of this subsection shall not be construed to limit~~
20 ~~the accomplishment of a revocation of dissolution of a series by other~~
21 ~~means permitted by law.~~

22 ~~Sec. 17. K.S.A. 17-76, 143a is hereby amended to read as follows: 17-~~
23 ~~76, 143a. (a) Pursuant to an agreement of merger or consolidation, one or~~
24 ~~more series may merge or consolidate with or into one or more other series~~
25 ~~of the same limited liability company with such series as the agreement~~
26 ~~shall provide being the surviving or resulting series. Unless otherwise~~
27 ~~provided in the operating agreement, an agreement of merger or~~
28 ~~consolidation shall be consented to or approved by each series that is to~~
29 ~~merge or consolidate by members of such series who own more than 50%~~
30 ~~of the then-current percentage or other interest in the profits of such series~~
31 ~~owned by all of the members of such series. In connection with a merger~~
32 ~~or consolidation hereunder, rights or securities of, or interests in, a series~~
33 ~~which that is a constituent party to the merger or consolidation may be~~
34 ~~exchanged for or converted into cash, property, rights, or securities of, or~~
35 ~~interests in, the surviving or resulting series or, in addition to or in lieu~~
36 ~~thereof, may be exchanged for or converted into cash, property, rights, or~~
37 ~~securities of, or interests in, an entity as defined in K.S.A. 17-78-102, and~~
38 ~~amendments thereto, that is not the surviving or resulting series in the~~
39 ~~merger or consolidation, may remain outstanding or may be canceled.~~
40 ~~Notwithstanding prior consent or approval, an agreement of merger or~~
41 ~~consolidation may be terminated or amended pursuant to a provision for~~
42 ~~such termination or amendment contained in the agreement of merger or~~
43 ~~consolidation.~~

Strike all on page 39

~~(b) If a series is merging or consolidating under this section, the series surviving or resulting in or from the merger or consolidation shall file a certificate of merger or consolidation of series executed by one or more authorized persons on behalf of the series when it is the surviving or resulting series in the office of the secretary of state. The certificate of merger or consolidation of series shall state:~~

~~(1) The name of each series that is to merge or consolidate and the name of the limited liability company that formed such series;~~

~~(2) that an agreement of merger or consolidation has been consented to or approved and executed by or on behalf of each series that is to merge or consolidate;~~

~~(3) the name of the surviving or resulting series;~~

~~(4) such amendment amendments, if any, to the certificate of designation of the series that is the surviving or resulting series to change the name of the surviving series, as is are desired to be effected by the merger, and such amendments may amend and restate the certificate of designation of the surviving series in its entirety;~~

~~(5) the future effective date or time, which shall be a date or time certain, of the merger or consolidation if it is not to be effective upon the filing of the certificate of merger or consolidation;~~

~~(6) that the agreement of merger or consolidation is on file at a place of business of the surviving or resulting series or the limited liability company that formed such series and shall state the address thereof; and~~

~~(7) that a copy of the agreement of merger or consolidation will be furnished by the surviving or resulting series, upon request and without cost, to any member of any series that is to merge or consolidate.~~

~~(c) Unless a future effective date or time is provided in a certificate of merger or consolidation, a merger or consolidation of series pursuant to this section shall be effective upon the filing of a certificate of merger or consolidation of series in the office of the secretary of state.~~

~~(d) A certificate of merger or consolidation of series shall act as a certificate of cancellation of the certificate of designation of the series that is not the surviving or resulting series in the merger or consolidation. A certificate of merger or consolidation of series that sets forth any amendment in accordance with subsection (b)(4) shall be deemed to be an amendment to the certificate of designation of the surviving or resulting series, and no further action shall be required to amend the certificate of designation of the surviving or resulting series under K.S.A. 17-76,143, and amendments thereto, with respect to such amendments set forth in the such certificate of merger or consolidation of series. Whenever this section requires the filing of a certificate of merger or consolidation of series, such requirement shall be deemed satisfied by the filing of an agreement of merger or consolidation containing the information required by this section~~

Strike all on page 40

1 ~~to be set forth in the *such* certificate of merger or consolidation.~~

2 ~~(e) An agreement of merger or consolidation consented to or~~
3 ~~approved in accordance with subsection (a) may effect any amendment to~~
4 ~~the operating agreement relating solely to the series that are constituent~~
5 ~~parties to the merger or consolidation. Any amendment to an operating~~
6 ~~agreement relating solely to the series that are constituent parties to the~~
7 ~~merger or consolidation made pursuant to the foregoing sentence shall be~~
8 ~~effective at the effective time or date of the merger or consolidation and~~
9 ~~shall be effective notwithstanding any provision of the operating~~
10 ~~agreement relating to amendment of the operating agreement, other than a~~
11 ~~provision that by its terms applies to an amendment to the operating~~
12 ~~agreement in connection with a merger or consolidation. The provisions of~~
13 ~~this subsection shall not be construed to limit the accomplishment of a~~
14 ~~merger or of any of the matters referred to herein by any other means~~
15 ~~provided for in an operating agreement or other agreement or as otherwise~~
16 ~~permitted by law, including that the operating agreement relating to any~~
17 ~~constituent series to the merger or consolidation, including a series formed~~
18 ~~for the purpose of consummating a merger or consolidation, shall be the~~
19 ~~operating agreement of the surviving or resulting series.~~

20 ~~(f) (1) (A) When any merger or consolidation shall have become~~
21 ~~effective under this section, for all purposes of the laws of the state of~~
22 ~~Kansas, all of the rights, privileges and powers of each of the series that~~
23 ~~have merged or consolidated, and all property, real, personal and mixed,~~
24 ~~and all debts due to any of such series, as well as all other things and~~
25 ~~causes of action belonging to each of such series, shall be vested in the~~
26 ~~surviving or resulting series, and shall thereafter be the property of the~~
27 ~~surviving or resulting series as they were of each of the series that have~~
28 ~~merged or consolidated, and the title to any real property vested by deed or~~
29 ~~otherwise, under the laws of the state of Kansas, in any of such series,~~
30 ~~shall not revert or be in any way impaired by reason of the Kansas revised~~
31 ~~limited liability company act.~~

32 ~~(B) All rights of creditors and all liens upon any property of any of~~
33 ~~the series that have merged or consolidated shall be preserved unimpaired,~~
34 ~~and all debts, liabilities and duties of each of such series that have merged~~
35 ~~or consolidated shall thereafter attach to the surviving or resulting series,~~
36 ~~and may be enforced against it to the same extent as if such debts,~~
37 ~~liabilities and duties had been incurred or contracted by it.~~

38 ~~(2) Unless otherwise agreed, a merger or consolidation of a series that~~
39 ~~is not the surviving or resulting series in the merger or consolidation, shall~~
40 ~~not require such series to wind up its affairs under K.S.A. 17-76,143, and~~
41 ~~amendments thereto, or pay its liabilities and distribute its assets under~~
42 ~~K.S.A. 17-76,143, and amendments thereto, and the merger or~~
43 ~~consolidation shall not constitute a dissolution of such series.~~

Strike all in lines 1-4

1 ~~(g) An operating agreement may provide that a series of such limited~~
2 ~~liability company shall not have the power to merge or consolidate as set~~
3 ~~forth in this section.~~

4 ~~(h) This section shall take effect on and after July 1, 2020.~~

5 Sec. 18. K.S.A. 17-76,145 is hereby amended to read as follows: 17-
6 76,145. (a) If an operating agreement provides the manner in which a
7 dissolution may be revoked, it may be revoked in that manner and, unless
8 an operating agreement prohibits revocation of dissolution, then
9 notwithstanding the occurrence of an event set forth in K.S.A. 17-
10 76,116(a)(1) through (a)(4), and amendments thereto, the limited liability
11 company shall not be dissolved and its affairs shall not be wound up if,
12 prior to the filing of a certificate of cancellation with the secretary of state,
13 the limited liability company is continued, effective as of the occurrence of
14 such event:

15 (1) In the case of dissolution effected by the vote, consent or approval
16 of the members, or other persons *whose vote, consent or approval is*
17 *required for such dissolution pursuant to the operating agreement,*
18 pursuant to such vote, consent or approval, and the vote, consent or
19 approval of any members or other persons whose vote, consent or approval
20 is required under the operating agreement to revoke a dissolution
21 contemplated by this paragraph;

22 (2) in the case of dissolution under K.S.A. 17-76,116(a)(1) or (2), and
23 amendments thereto, other than a dissolution effected by the vote, consent
24 or approval of the members, or other persons *whose vote, consent or*
25 *approval is required for such dissolution pursuant to the operating*
26 *agreement,* or the occurrence of an event that causes the last remaining
27 member to cease to be a member, pursuant to such vote, consent or
28 approval that, pursuant to the terms of the operating agreement, is required
29 to amend the provision of the operating agreement effecting such
30 dissolution, and the vote, consent or approval of any members or other
31 persons whose vote, consent or approval is required under the operating
32 agreement to revoke a dissolution contemplated by this paragraph; and

33 (3) in the case of dissolution effected by the occurrence of an event
34 that causes the last remaining member to cease to be a member, pursuant
35 to the vote, consent or approval of the personal representative of the last
36 remaining member of the limited liability company or the assignee of all
37 of the limited liability company interests in the limited liability company,
38 and the vote, consent, or approval of any other person whose vote, consent
39 or approval is required under the operating agreement to revoke a
40 dissolution contemplated by this paragraph.

41 (b) If there is no remaining member of the limited liability company
42 and the personal representative of the last remaining member or the
43 assignee of all of the limited liability company interests in the limited

1 section shall not be required to take any further action to amend its public
2 organic documents to reflect a change of registered office or resident
3 agent.

4 Sec. 34. K.S.A. 17-7662, 17-7663, 17-7668, 17-7670, 17-7681, 17-
5 7682, 17-7685a, 17-7686, 17-7687, 17-7690, 17-7695, 17-7698, ~~17-~~
6 ~~76,143, 17-76,143a,~~ 17-76,145, 17-76,146, 17-76,148, 17-76,149, 17-
7 76,150, 17-76,151, 17-76,152, 17-78-205, 17-78-206, 17-78-305, 17-78-
8 306, 17-78-405, 17-78-505, 17-7904, 17-7925, 17-7927 and 17-7929 and
9 K.S.A. 2024 Supp. 17-76,136 are hereby repealed.

10 Sec. 35. This act shall take effect and be in force from and after its
11 publication in the statute book.

Strike in lines 5 & 6