

2008 BUSINESS REFORM COMMITTEES
Minutes of the
JOINT MEETING OF THE CORPORATIONS LAW STUDY GROUP
AND THE LLCs AND PARTNERSHIPS LAWS STUDY GROUP

NOVEMBER 6, 2008

The joint meeting of the Business Corporations Laws Study Group and the LLCs and Partnerships Laws Study Group was called to order on Thursday, November 6, 2008 at 11:00 A.M. at the Office of the Secretary of State, 700 North Street, Jackson, Mississippi. A list of the persons who were present in person or by telephone is attached at Exhibit A.

Introduction

Cheryn Baker, Assistant Secretary of State for Policy and Research, welcomed the members to the meeting. The minutes from the LLCs and Partnerships Laws Study Group Meeting held on July 31, 2008 were approved.

Report from Corporations Laws Sub-Group on Forms, Filings and Fees

Tommy Shepherd, Chair of this Sub-Group, presented the Report attached at Exhibit B. After some discussion a motion to approve the recommendations of the Sub-Group report was made and seconded. The report was approved unanimously by the Group.

Report from LLCs Laws Sub-Group on Forms, Filings and Fees

David Webb, Chair of this Sub-Group, presented the Report attached at Exhibit C. The Group discussed the recommendation to require LLCs to file annual reports or bi-annual reports. Ms. Baker explained the staff was considering making the reports bi-annual to avoid having to hire additional staff to process these reports, but that Secretary Hosemann had since expressed a preference for annual reports. The consensus of the group was that it would be less confusing if all entities filed annual reports. Ms. Baker also mentioned that at least some of the additional revenue to be gained from instituting annual report filing requirements could be used to help fund a business court.

The Group also discussed the recommendation to allow the Secretary of State to charge \$25 for accepting service of process on defendant LLCs. One member of the group questioned the need for this recommendation if the Group was going to recommend that all fees be set forth in the rules. Baker suggested that the Group leave this recommendation in the report as a fall back in case the legislature did not agree to amend the statute to permit the Agency to establish all fees by rule.

Following the discussion a member made a motion to approve the recommendations of the Sub-Group report, which was seconded and approved unanimously by the Group.

Report from Corporations Laws Sub-Group on Amendments to the Corporations Act

Henry Chatham, Chair of this Sub-Group, presented the Report attached at Exhibit D. Ms. Baker explained the recommendation concerning the change to Section 79-14-14.22. After some discussion, a motion to approve the recommendations of the Sub-Group report was made and seconded. The report was approved unanimously by the Group.

Ms. Baker informed the group that the Division would prepare a report to the Legislature of the recommendations and the proposed bills to effect the recommended changes. The Division will forward these documents to the Group and obtain their approval of them before submitting them to the Legislature.

Other Sub-Groups Status Reports

Ms. Baker reported on the status of the Model Registered Agent Act Joint Committee. This committee has met and will meet again in 2009. It will have recommendations for the 2010 Legislative Session. Steve Hendrix, Chair of the LLCs Act Amendments Sub-Group discussed the issues that this Sub-Group is considering. He stated that it will not have any recommendations for the 2009 Legislative Session, but that he hoped the group would be able to make a recommendation of comprehensive changes to the LLC Act for the 2010 Legislative Session. Ms. Baker stated that the Series LLCs and Conversions Sub-Groups were still being organized and have not yet held any meetings. She informed the group that if anyone was interested in serving on either one of these committees to let her know and she would add them to the committees. These groups will not have recommendations for the 2009 Session.

Other Business

Cory Wilson, Chief of Staff, thanked the members for their attendance and their participation in the study groups. He stated that Secretary Hosemann was talking about the study groups around the state and he was getting good feedback concerning them. Ms. Baker asked the members to assist the Agency with promoting the recommendations approved at this meeting to the Legislature. She asked them to contact their legislators about these reports and express to these legislators their support of these reports. She also indicated that she would be contacting them when the 2009 Legislative Session begins about things they could do to help in this regard.

With no further business, the meeting was adjourned at 11:45 A.M.

Respectfully Submitted,



Cheryn Baker
Assistant Secretary of State
Policy and Research

Exhibit A
to the November 06, 2008 Minutes of LLCs and Partnerships / Corporations Law Study Groups Joint Meeting

In Attendance:

Jack Byrne – Corporations
Mark Buys – LLCs and Partnerships
Henry Chatham – Corporations
Marcie Davant – LLCs and Partnerships
George Fair – LLCs and Partnerships
Rusty Hawkins – Corporations
Steve Hendrix – LLCs and Partnerships, Co-Chair
Larry Lefoldt – LLCs and Partnerships
Tommy Shepherd – Corporations, Co-Chair
David Webb – LLCs and Partnerships, Co-Chair
Van White – Corporations
Ashley Wicks – LLCs and Partnerships, Co-Chair
Martin Willoughby – LLCs and Partnerships

By Telephone:

Mike Bush – Corporations
Chad Davidson – LLCs and Partnerships
Jim McNamara – Corporations
Ken Rector – LLCs and Partnerships
Bill Williams – LLCs and Partnerships
Eric Wooten – LLCs and Partnerships

Secretary of State Personnel Attending:

Cory Wilson, Chief of Staff
Cheryn Baker, Assistant Secretary of State, Policy and Research
Tom Riley, Assistant Secretary of State, Business Services
Rita Bingham, Bureau Director, Business Services
Doug Jennings, Senior Attorney, Policy and Research
Phillips Strickland, Division Coordinator, Policy and Research