SENATE BILL No. 424

By Committee on Commerce

2-12


Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 17-2711 is hereby amended to read as follows: 17-2711. The corporate name of a corporation organized and operating hereunder may be any name not contrary to law or the ethics of the profession involved. Such name may include any name set forth in K.S.A. 17-6002, but in all cases the corporate name shall end with the word "chartered" or "professional association" or the abbreviation "P.A." or
"PA". The abbreviations "P.A." and "PA" shall be considered to be identical.

Sec. 2. K.S.A. 2019 Supp. 17-6014 is hereby amended to read as follows: 17-6014. (a) Except as otherwise provided in subsections (b) and (c), the provisions of the Kansas general corporation code shall apply to nonstock corporations in the manner specified in this subsection:

(1) All references to stockholders of the corporation shall be deemed to refer to members of the corporation;

(2) all references to the board of directors of the corporation shall be deemed to refer to the governing body of the corporation;

(3) all references to directors or to members of the board of directors of the corporation shall be deemed to refer to members of the governing body of the corporation; and

(4) all references to stock, capital stock, or shares thereof of a corporation authorized to issue capital stock shall be deemed to refer to memberships of a nonprofit nonstock corporation and to membership interests of any other nonstock corporation.

(b) Subsection (a) shall not apply to:

(1) K.S.A. 17-6002(a)(4), (b)(1) and (b)(2), 17-6009(a), 17-6301, 17-6404, 17-6505, 17-6518, 17-6520(b), 17-6601, 17-6602, 17-6703, 17-6705, 17-6706, 17-6707, 17-6708, 17-6801, 17-6805, 17-6805a, 17-7001, 17-7002, 17-7503(a)(4) and (b)(4), 17-7504, 17-7505(a)(4) and (b)(4) and 17-7514(c), and amendments thereto, and K.S.A. 2019 Supp. 17-6014, and amendments thereto, which apply to nonstock corporations by their terms;


(3) article 72 and article 73 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto.

(c) In the case of a nonprofit nonstock corporation, subsection (a) shall not apply to:

(1) The sections and articles listed in subsection (b);

(2) K.S.A. 17-6002(b)(3), 17-6304(a)(2), 17-6507, 17-6508, 17-6712, 17-7503, 17-7505, 17-7509, and 17-7511 and 17-7514, and amendments thereto, and K.S.A. 2019 Supp. 17-6011(a)(2) and (a)(3), and amendments thereto; and

(3) article 64 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto, and K.S.A. 2019 Supp. 17-72a01 through 17-72a09,
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and amendments thereto.

(d) For purposes of the Kansas general corporation code:

(1) A "charitable nonstock corporation" is any nonprofit nonstock corporation that is exempt from taxation under § 501(c)(3) of the federal internal revenue code of 1986, 26 U.S.C. § 501(c)(3);

(2) a "membership interest" is, unless otherwise provided in a nonstock corporation's articles of incorporation, a member's share of the profits and losses of a nonstock corporation, or a member's right to receive distributions of the nonstock corporation's assets, or both;

(3) a "nonprofit nonstock corporation" is a nonstock corporation that does not have membership interests; and

(4) a "nonstock corporation" is any corporation organized under the Kansas general corporation code that is not authorized to issue capital stock.

Sec. 3. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7675 is hereby amended to read as follows: 17-7675. (a) Articles of organization shall be canceled upon the dissolution and the completion of winding up of a limited liability company, or as provided in K.S.A. 17-76,117 or 17-76,139, and amendments thereto, or K.S.A. 2019 Supp. 17-7926(b) or 17-7929(b), and amendments thereto, or upon the filing of a certificate of merger or consolidation if the limited liability company is not the surviving or resulting entity in a merger or consolidation, or upon the future effective date of a certificate of merger or consolidation if the limited liability company is not the surviving or resulting entity in a merger or consolidation, or upon the filing of a certificate of division if the limited liability company is a dividing company that is not a surviving company, or upon the future effective date of a certificate of division if the limited liability company is a dividing company that is not a surviving company. A certificate of cancellation shall be filed with the secretary of state to accomplish the cancellation of articles of organization upon the dissolution and the completion of winding up of a limited liability company. The certificate shall set forth:

(1) The name of the limited liability company;

(2) the reason for filing the certificate of cancellation;

(3) if the limited liability company has formed one or more series and the certificate of designation has not been canceled for such series prior to the filing of the certificate of cancellation, the name of each such series;

(4) the future effective date or time of cancellation if it is not to be effective upon the filing of the certificate; and

(4)/(5) any other information the person filing the certificate of cancellation determines.

(b) A certificate of cancellation that is filed with the secretary of state prior to the dissolution or the completion of winding up of a limited
liability company may be corrected as an erroneously executed certificate
of cancellation by filing with the secretary of state a certificate of
correction of such certificate of cancellation in accordance with K.S.A.
(c) The secretary of state shall not issue a certificate of good standing
with respect to a limited liability company, or any series thereof, if its
articles of organization are canceled.
Sec. 4. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7679 is
hereby amended to read as follows: 17-7679. The fact that articles of
organization, or amendments thereto, are on file with the secretary of state
is notice that the entity formed in connection with the filing of the articles
of organization is a limited liability company formed under the laws of the
state of Kansas and is notice of all other facts set forth therein which are
required to be set forth in articles of organization by K.S.A. 17-7673(a)(1),
(a)(2), (a)(4) and (a)(5), and amendments thereto, and K.S.A. 2019 Supp.
17-76,149, and amendments thereto. The fact that a certificate of
designation is on file in the office of the secretary of state is notice that the
series named in such certificate of designation has been formed pursuant
to K.S.A. 2019 Supp. 17-76,143, and amendments thereto, and is notice of
all other facts set forth therein that are required to be set forth in a
certificate of designation by K.S.A. 2019 Supp. 17-76,143(d), and
amendments thereto.
Sec. 5. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7680 is
hereby amended to read as follows: 17-7680. (a) Restated articles of
organization.
(1) A limited liability company may, whenever desired, integrate into
a single instrument all of the provisions of its articles of organization
which are then in effect and operative as a result of there having
previously been filed with the secretary of state one or more certificates or
other instruments pursuant to K.S.A. 17-7673 through 17-7683, and
amendments thereto, the business entity standard treatment act, K.S.A.
2019 Supp. 17-7901 et seq., and amendments thereto, and K.S.A. 2019
Supp. 17-7685a and 17-76,143a, and amendments thereto, and it may at
the same time also further amend its articles of organization by adopting
restated articles of organization.
(2) If restated articles of organization merely restate and integrate
but do not further amend the initial articles of organization, as previously
amended or supplemented by any certificate or instrument that was
executed and filed pursuant to K.S.A. 17-7673 through 17-7683, and
amendments thereto, and the business entity standard treatment act, K.S.A.
2019 Supp. 17-7901 et seq., and amendments thereto, they shall be
specifically designated in their heading as "restated articles of
organization" together with such other words as the limited liability
company may deem appropriate and shall be executed by an authorized
person and filed with the secretary of state as provided in K.S.A. 2019
Supp. 17-7910, and amendments thereto. If restated articles of
organization restate and integrate and also further amend in any respect the
articles of organization, as previously amended or supplemented, they
shall be specifically designated in their heading as "amended and restated
articles of organization" together with such other words as the limited
liability company may deem appropriate and shall be executed by at least
one authorized person and filed as provided in K.S.A. 2019 Supp. 17-
7910, and amendments thereto.

(c) Restated articles of organization shall state, either in their
heading or in an introductory paragraph, the limited liability company's
present name; if it has been changed, the name under which it was
originally filed; the date of filing of its original articles of organization
with the secretary of state; and the future effective date, which shall be a
date certain, of the restated articles of organization if they are not to be
effective upon the filing of the restated articles of organization with the
secretary of state. Restated articles of organization shall also state that they
were duly executed and are being filed in accordance with this section. If
restated articles of organization only restate and integrate and do not
further amend a limited liability company's articles of organization as
previously amended or supplemented and there is no discrepancy between
those provisions and the restated articles of organization, they shall state
that fact as well.

(d) Upon the filing of restated articles of organization with the
secretary of state, or upon the future effective date of restated articles of
organization as provided for therein, the initial articles of organization, as
previously amended or supplemented, shall be superseded. Thereafter the
restated articles of organization, including any further amendment or
changes made thereby, shall be the articles of organization of the limited
liability company, but the original effective date of formation shall remain
unchanged.

(e) Any amendment or change effected in connection with the
restatement and integration of the articles of organization shall be subject
to any other provision of the Kansas revised limited liability company act,
not inconsistent with this section, which would apply if a separate
certificate of amendment were filed to effect such amendment or change.

(b) Restated certificate of designation.

(1) A series of a limited liability company may, whenever desired,
integrate into a single instrument all of the provisions of its certificate of
designation that are then in effect andoperative as a result of there having
previously been filed with the secretary of state one or more certificates or
other instruments pursuant to K.S.A. 17-7673 through 17-7681, and
amendments thereto, K.S.A. 2019 Supp. 17-7685a, 17-76,143a and the
business entity standard treatment act, K.S.A. 2019 Supp. 17-7901 et seq.,
and amendments thereto, and it may at the same time further amend its
certificate of designation by adopting a restated certificate of designation.

(2) If a restated certificate of designation merely restates and
integrates but does not further amend the initial certificate of designation,
as previously amended or supplemented by any instrument that was
executed and filed pursuant to K.S.A. 17-7673 through 17-7681, and
amendments thereto, K.S.A. 2019 Supp. 17-7685a, 17-76,143a and the
business entity standard treatment act, K.S.A. 2019 Supp. 17-7901 et seq.,
and amendments thereto, it shall be specifically designated in its heading
as a "restated certificate of designation" together with such other words as
the series may deem appropriate and shall be executed by an authorized
person and filed as provided in K.S.A. 2019 Supp. 17-7910, and
amendments thereto. If a restated certificate restates and integrates and
also further amends in any respect the certificate of designation as
previously amended or supplemented, it shall be specifically designated in
its heading as an "amended and restated certificate of designation"
through with such other words as the series may deem appropriate and
shall be executed by at least one authorized person and filed as provided

(3) A restated certificate of designation shall state, either in its
heading or in an introductory paragraph, the name of the limited liability
company, the present name of the series, and, if the name of the series has
been changed, the name under which it was originally filed, and the future
effective date or time, which shall be a date or time certain, of the restated
certificate of designation if it is not to be effective upon the filing of the
restated certificate of designation. A restated certificate shall also state
that it was duly executed and is being filed in accordance with this section.
If a restated certificate only restates and integrates and does not further
amend a certificate of designation, as previously amended or
supplemented and there is no discrepancy between those provisions and
the restated certificate, it shall state that fact as well.

(4) Upon the filing of a restated certificate of designation with the
secretary of state, or upon the future effective date or time of a restated
certificate of designation as provided for therein, the initial certificate of
designation, as theretofore amended or supplemented, shall be
superseded. Thereafter, the restated certificate of designation, including
any further amendment or changes made thereby, shall be the certificate
designation of such series, but the original effective date of formation of
the series, as applicable, shall remain unchanged.

(5) Any amendment or change effected in connection with the
restatement and integration of a certificate of designation shall be subject
to any other provision of the Kansas revised limited liability company act, not inconsistent with this section, that would apply if a separate certificate of amendment were filed to effect such amendment or change.

Sec. 6. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,136 is hereby amended to read as follows: 17-76,136. (a) The secretary of state shall charge each domestic and foreign limited liability company the following fees:

(1) A fee of $20 for issuing or filing and indexing any of the following documents:
   (A) A certificate of amendment of articles of organization;
   (B) restated articles of organization;
   (C) a certificate of cancellation which fee shall be multiplied by the number of series of the limited liability company named in the certificate of cancellation;
   (D) a certificate of change of location of registered office or resident agent;
   (E) a certificate of merger or consolidation;
   (F) a certificate of division; and
   (G) any certificate, affidavit, agreement or any other paper provided for in the Kansas revised limited liability company act, for which no different fee is specifically prescribed;

(2) a fee of $7.50 for each certified copy plus a fee per page, if the secretary of state supplies the copies, in an amount fixed by the secretary of state and approved by the director of accounts and reports for copies of corporate documents under K.S.A. 45-204, and amendments thereto;

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

(4) a fee of $5 for a report of record search, but furnishing the following information shall not be considered a record search and no charge shall be made therefor: Name of the limited liability company and the address of its registered office; name and address of the resident agent; the state of the limited liability company's formation; the date of filing of its articles of organization or annual report; and date of expiration; and

(5) for photocopies of instruments on file or prepared by the secretary of state's office and which are not certified, a fee per page in an amount fixed by the secretary of state and approved by the director of accounts and reports for copies of corporate documents under K.S.A. 45-204, and amendments thereto.

(b) Every limited liability company hereafter formed in this state shall pay to the secretary of state, at the time of filing its articles of organization, an application and recording fee of $150.

(c) At the time of filing its application to do business, every foreign
limited liability company shall pay to the secretary of state an application
and recording fee of $150.
(d) The fee for filing a certificate of reinstatement shall be the same
as that prescribed by K.S.A. 17-7506, and amendments thereto, for filing a
certificate of reinstatement of a corporation's articles of incorporation.

Sec. 7. K.S.A. 2019 Supp. 17-76,139 is hereby amended to read as
follows: 17-76,139. (a) Every limited liability company organized under
the laws of this state shall make an annual report in writing to the secretary
of state, stating the prescribed information concerning the limited liability
company at the close of business on the last day of its tax period next
preceding the date of filing. If the limited liability company's tax period is
other than the calendar year, it shall give notice of its different tax period
in writing to the secretary of state prior to December 31 of the year it
commences the different tax period. The annual report shall be filed at the
time prescribed by law for filing the limited liability company's annual
Kansas income tax return. The annual report shall be made on a form
prescribed by the secretary of state. The report shall contain the following
information:
(1) The name of the limited liability company; and
(2) a list of the members owning at least 5% of the capital of the
limited liability company, with the post office address of each.
(b) Every foreign limited liability company shall make an annual
report in writing to the secretary of state, stating the prescribed
information concerning the limited liability company at the close of
business on the last day of its tax period next preceding the date of filing.
If the limited liability company's tax period is other than the calendar year,
it shall give notice in writing of its different tax period to the secretary of
state prior to December 31 of the year it commences the different tax
period. The annual report shall be filed at the time prescribed by law for
filing the limited liability company's annual Kansas income tax return. The
annual report shall be made on a form prescribed by the secretary of state.
The report shall contain the name of the limited liability company.
(c) The annual report required by this section shall be executed by
one or more authorized persons, and filed with the secretary of state. The
execution of such annual report by a person who is authorized by this act
to execute such annual report, upon filing such annual report with the
secretary of state, constitutes an oath or affirmation, under penalties of
perjury that, to the best of such person's knowledge and belief, the facts
stated therein are true. At the time of filing the report, the limited liability
company shall pay to the secretary of state an annual report fee in an
amount equal to $40.
(d) The provisions of K.S.A. 17-7509, and amendments thereto,
relating to penalties for failure of a corporation to file an annual report or
pay the required annual report fee, and the provisions of K.S.A. 17-7510(a), and amendments thereto, relating to penalties for failure of a corporation to file an annual report or pay the required annual report fee, shall be applicable to the articles of organization of any domestic limited liability company or to the authority of any foreign limited liability company which fails to file its annual report or pay the annual report fee within 90 days of the time prescribed in this section for filing and paying the same or, in the case of an annual report filing and fee received by mail, postmarked within 90 days of the time for filing and paying the same. Whenever the articles of organization of a domestic limited liability company or the authority of any foreign limited liability company are forfeited for failure to file an annual report or to pay the required annual report fee, the domestic limited liability company or the authority of a foreign limited liability company may be reinstated by filing a certificate of reinstatement, pursuant to K.S.A. 2019 Supp. 17-76,146, and amendments thereto, and paying to the secretary of state all fees, including any penalties thereon, due to the state.

(e) No limited liability company shall be required to file its first annual report under this act, or pay any annual report fee required to accompany such report, unless such limited liability company has filed its articles of organization or application for authority at least six months prior to the last day of its tax period.

(f) All copies of applications for extension of the time for filing income tax returns submitted to the secretary of state pursuant to law shall be maintained by the secretary of state in a confidential file and shall not be disclosed to any person except as authorized pursuant to the provisions of K.S.A. 79-3234, and amendments thereto, a proper judicial order, or subsection (g). All copies of such applications shall be preserved for one year and thereafter until the secretary of state orders that they be destroyed.

(g) A copy of such application shall be open to inspection by or disclosure to any person who was a member of such limited liability company during any part of the period covered by the extension.

Sec. 8. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,139, as amended by section 7 of this act, is hereby amended to read as follows: 17-76,139. (a) Every limited liability company organized and, on and after July 1, 2022, each series thereof formed or in existence under the laws of this state shall make an annual report in writing to the secretary of state, stating the prescribed information concerning the limited liability company or series, as applicable, at the close of business on the last day of its tax period next preceding the date of filing. If the limited liability company's or series' tax period is other than the calendar year, it shall give notice of its different tax period in writing to the secretary of state prior to
December 31 of the year it commences the different tax period. The annual report shall be filed at the time prescribed by law for filing the limited liability company's or series' annual Kansas income tax return, or if applicable law does not prescribe a time for filing an annual Kansas income tax return for a series, the annual report for the series shall be filed at, and for purposes of this section its tax period shall be deemed to be, the time prescribed by law for filing the annual Kansas income tax return for the limited liability company to which the series is associated.

The annual report shall be made on a form prescribed by the secretary of state. The report shall contain the following information:

(1) The name of the limited liability company or series, as applicable; and

(2) a list of the members owning at least 5% of the capital of the limited liability company or series, as applicable, with the post office address of each.

(b) Every foreign limited liability company shall make an annual report in writing to the secretary of state, stating the prescribed information concerning the limited liability company at the close of business on the last day of its tax period next preceding the date of filing. If the limited liability company's tax period is other than the calendar year, it shall give notice in writing of its different tax period to the secretary of state prior to December 31 of the year it commences the different tax period. The annual report shall be filed at the time prescribed by law for filing the limited liability company's annual Kansas income tax return. The annual report shall be made on a form prescribed by the secretary of state. The report shall contain the name of the limited liability company.

(c) The annual report required by this section shall be executed by one or more authorized persons, and filed with the secretary of state. The execution of such annual report by a person who is authorized by this the Kansas revised limited liability company act to execute such annual report, upon filing such annual report with the secretary of state, constitutes an oath or affirmation, under penalties of perjury that, to the best of such person's knowledge and belief, the facts stated therein are true. At the time of filing the report, the limited liability company or series shall pay to the secretary of state an annual report fee in an amount equal to $40.

(d) The provisions of K.S.A. 17-7509, and amendments thereto, relating to penalties for failure of a corporation to file an annual report or pay the required annual report fee, and the provisions of K.S.A. 17-7510(a), and amendments thereto, relating to penalties for failure of a corporation to file an annual report or pay the required annual report fee, shall be applicable to the articles of organization of any domestic limited liability company, the certificate of designation of any series thereof, or to the authority of any foreign limited liability company which fails to file its
annual report or pay the annual report fee within 90 days of the time prescribed in this section for filing and paying the same or, in the case of an annual report filing and fee received by mail, postmarked within 90 days of the time for filing and paying the same. Whenever the articles of organization of a domestic limited liability company, the certificate of designation of any series thereof, or the authority of any foreign limited liability company are forfeited or canceled for failure to file an annual report or to pay the required annual report fee, the domestic limited liability company or the authority of a foreign limited liability company may be reinstated by filing a certificate of reinstatement, pursuant to K.S.A. 2019 Supp. 17-76,146, and amendments thereto, and the certificate of designation may be reinstated by filing a certificate of reinstatement, pursuant to K.S.A. 2019 Supp. 17-76,147, and amendments thereto, and in each case, paying to the secretary of state all fees, including any penalties thereon, due to the state.

(e) No limited liability company or series shall be required to file its first annual report under this the Kansas revised limited liability act, or pay any annual report fee required to accompany such report, unless such limited liability company has filed its articles of organization or application for authority or the certificate of designation of such series has been filed at least six months prior to the last day of its tax period.

Sec. 9. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,143 is hereby amended to read as follows: 17-76,143. (a) An operating agreement may establish or provide for the establishment of one or more designated series of members, managers or limited liability company interests having or assets. If an operating agreement so provides for the establishment or formation of one or more series, then a series may be formed by complying with this section. Any such series may have separate rights, powers or duties with respect to specified property or obligations of the limited liability company or profits and losses associated with specified property or obligations, and to the extent provided in the operating agreement, any such series may have a separate business purpose or investment objective. A series is formed by the filing of a certificate of designation in the office of the secretary of state. Other than pursuant to K.S.A. 2019 Supp. 17-76,143a, and amendments thereto, a series may not merge, convert, or consolidate pursuant to any section of the Kansas revised limited liability company act, the business entity transactions act, K.S.A. 2019 Supp. 17-78-101 et seq., and amendments thereto, or any other statute of this state.

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

(b)(c) Notwithstanding anything to the contrary set forth in this
section the Kansas revised limited liability act or under other applicable
law, in the event that an operating agreement establishes or provides for
the establishment of one or more series, and if to the extent the records
maintained for any such series account for the assets associated with such
series separately from the other assets of the limited liability company, or
any other series thereof, and if the operating agreement so provides, and if
notice of the limitation on liabilities of a series as referenced in this
subsection is set forth in the articles of organization of the limited liability
company and if the limited liability company has filed a certificate of
designation for each series which is to have limited liability under this
section, then the debts, liabilities, obligations and expenses incurred,
contracted for or otherwise existing with respect to a particular such series
shall be enforceable against the assets of such series only, and not against
the assets of the limited liability company generally or any other series
thereof, and, unless otherwise provided in the operating agreement, none
of the debts, liabilities, obligations and expenses incurred, contracted for
or otherwise existing with respect to the limited liability company
generally or any other series thereof shall be enforceable against the assets
of such series. The fact that the articles of organization contain the
foregoing notice of the limitation on liabilities of a series and a certificate
of designation for a series is on file in the office of the secretary of state
shall constitute notice of such limitation on liabilities of a series. A series
with limited liability shall be treated as a separate entity to the extent set
forth in the articles of organization. Each series with limited liability may,
in its own name, contract, hold title to assets, grant security interests, sue
and be sued and otherwise conduct business and exercise the powers of a
limited liability company under this act. The limited liability company and
any of its series may elect to consolidate their operations as a single-
taxpayer to the extent permitted under applicable law, elect to work-
cooperatively, elect to contract jointly or elect to be treated as a single-
business for purposes of qualification to do business in this or any other-
state. Such elections shall not affect the limitation of liability set forth in
this section except to the extent that the series have specifically accepted
joint liability by contract.
(e) Except in the case of a foreign limited liability company that has adopted an assumed name pursuant to K.S.A. 2019 Supp. 17-7933, and amendments thereto, the name of the series with limited liability must contain the entire name of the limited liability company and be distinguishable from the names of the other series set forth in the articles of organization. In the case of a foreign limited liability company that has adopted an assumed name pursuant to K.S.A. 2019 Supp. 17-7933, and amendments thereto, the name of the series with limited liability must contain the entire name under which the foreign limited liability company has been admitted to transact business in this state.

(d) Upon the filing of the certificate of designation with the secretary of state setting forth the name of each series with limited liability, the series' existence shall begin, and copies of the filed certificate of designation marked with the filing date shall be conclusive evidence, except as against the state, that all conditions precedent required to be performed have been complied with and that the series has been or shall be legally organized and formed under this act. If different from the limited liability company, the certificate of designation for each series shall list the names of the members if the series is member managed or the names of the managers if the series is manager managed. The name of a series with limited liability under subsection (b) may be changed by filing with the secretary of state a certificate of designation identifying the series whose name is being changed and the new name of such series. If not the same as the limited liability company, the names of the members of a member-managed series or of the managers of a manager-managed series may be changed by filing a new certificate of designation with the secretary of state. A series with limited liability under subsection (b) may be dissolved by filing with the secretary of state a certificate of designation identifying the series being dissolved or by the dissolution of the limited liability company as provided in subsection (m). Certificates of designation may be executed by the limited liability company or any manager, person or entity designated in the operating agreement for the limited liability company.

(e) A series of a limited liability company will be deemed to be in good standing as long as the limited liability company is in good standing.

(f) The resident agent and registered office for the limited liability company in Kansas shall serve as the agent and office for service of process in Kansas for each series.

(g) An operating agreement may provide for classes or groups of members or managers associated with a series having such relative rights, powers and duties as the operating agreement may provide, and may make provision for the future creation of additional classes or groups of members or managers associated with the series having such relative rights, powers and duties as may from time to time be established,
including rights, powers and duties senior to existing classes and groups of members or managers associated with the series:

(h) A series may be managed by either the member or members associated with the series or by a manager or managers chosen by the members of such series, as provided in the operating agreement. Unless otherwise provided in an operating agreement, the management of a series shall be vested in the members associated with such series:

(i) An operating agreement may grant to all or certain identified members or managers or a specified class or group of the members or managers associated with a series the right to vote separately or with all or any class or group of the members or managers associated with the series, on any matter. An operating agreement may provide that any member or class or group of members associated with a series shall have no voting rights:

(j) Except to the extent modified in this section, the provisions of this act which are generally applicable to limited liability companies, their managers, members and transferees shall be applicable to each particular series with respect to the operation of such series:

(k) Except as otherwise provided in an operating agreement, any event under this act or in an operating agreement that causes a manager to cease to be a manager with respect to a series shall not, in itself, cause such manager to cease to be a manager of the limited liability company or with respect to any other series thereof:

(l) Except as otherwise provided in an operating agreement, any event under this act or in an operating agreement that causes a member to cease to be associated with a series shall not, in itself, cause such member to cease to be associated with any other series or terminate the continued membership of a member in the limited liability company or cause the termination of the series, regardless of whether such member was the last remaining member associated with such series:

(m) Except to the extent otherwise provided in the operating agreement, a series may be dissolved and its affairs wound up without causing the dissolution of the limited liability company. The dissolution of a series established in accordance with subsection (b) shall not affect the limitation on liabilities of such series provided by subsection (b). A series is terminated and its affairs shall be wound up upon the dissolution of the limited liability company under article 76 of chapter 17 of the Kansas Statutes Annotated, and amendments thereto:

(n) If a limited liability company with the ability to establish a series does not register to do business in a foreign jurisdiction for itself and certain of its series, a series of a limited liability company may itself register to do business as a limited liability company in the foreign jurisdiction in accordance with the laws of the foreign jurisdiction: Neither
the preceding sentences nor any provision pursuant thereto in an operating agreement, articles of organization or certificate of designation shall: Restrict a series or limited liability company on behalf of a series from agreeing in the operating agreement or otherwise that any or all of the debts, liabilities, obligations, and expenses incurred, contracted for, or otherwise existing with respect to the limited liability company generally or any other series thereof shall be enforceable against the assets of such series; or restrict a limited liability company from agreeing in the operating agreement or otherwise that any or all of the debts, liabilities, obligations, and expenses incurred, contracted for, or otherwise existing with respect to a series shall be enforceable against the assets of the limited liability company generally. Assets associated with a series may be held directly or indirectly, including in the name of such series, in the name of the limited liability company, through a nominee or otherwise. Records maintained for a series that reasonably identify its assets, including by specific listing, category, type, quantity, computational, or allocational formula or procedure, including a percentage or share of any asset or assets, or by any other method where the identity of such assets is objectively determinable, will be deemed to account for the assets associated with such series separately from the other assets of the limited liability company, or any other series thereof. As used in the Kansas revised limited liability company act, a reference to assets of a series includes assets associated with such series, a reference to assets associated with a series includes assets of such series, a reference to members or managers of a series includes members or managers associated with such series, and a reference to members or managers associated with a series includes members or managers of such series. The following shall apply to a series:

(1) A series may carry on any lawful business, purpose or activity, whether or not for profit, with the exception of the business of granting policies of insurance, assuming insurance risks, or banking as defined in K.S.A. 2019 Supp. 9-701, and amendments thereto. Unless otherwise provided in an operating agreement, a series shall have the power and capacity to, in its own name, contract, hold title to assets, including real, personal, and intangible property, grant liens and security interests, and sue and be sued.

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

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

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

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

(6) Notwithstanding K.S.A. 17-76,109, and amendments thereto, but subject to subsections (c)(7) and (c)(10), and unless otherwise provided in an operating agreement, at the time a member of a series becomes entitled to receive a distribution with respect to such series, the member has the status of, and is entitled to all remedies available to, a creditor of such series, with respect to the distribution. An operating agreement may provide for the establishment of a record date with respect to allocations and distributions with respect to a series.

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

(8) Unless otherwise provided in the operating agreement, a member shall cease to be associated with a series and to have the power to exercise any rights or powers of a member with respect to such series upon the assignment of all of the member's limited liability company interest with respect to such series. Except as otherwise provided in an operating agreement, any event under the Kansas revised limited liability company act or an operating agreement that causes a member to cease to
be associated with a series shall not, in itself, cause such member to cease
to be associated with any other series or terminate the continued
membership of a member in the limited liability company or cause the
dissolution of the series, regardless of whether such member was the last
remaining member associated with such series.

(9) Subject to K.S.A. 17-76,116, and amendments thereto, except to
the extent otherwise provided in the operating agreement, a series may be
dissolved and its affairs wound up without causing the dissolution of the
limited liability company. The dissolution of a series shall not affect the
limitation on liabilities of such series provided by this subsection (c). A
series is dissolved and its affairs shall be wound up upon the dissolution of
the limited liability company under K.S.A. 17-76,116, and amendments
thereto, or otherwise upon the first to occur of the following:
(A) At the time specified in the operating agreement;
(B) upon the happening of events specified in the operating
agreement;
(C) unless otherwise provided in the operating agreement, upon the
vote, consent or approval of members associated with such series who
own 2/3 or more of the then-current percentage or other interest in the
profits of such series of the limited liability company owned by all of the
members associated with such series; or
(D) the dissolution of such series under subsection (c)(11).

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

(11) On application by or for a member or manager associated with a series, the district court may decree dissolution of such series whenever it is not reasonably practicable to carry on the business of such series in conformity with an operating agreement.

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

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

(1) (A) A certificate of designation shall set forth:
   (i) The name of the limited liability company; and
   (ii) the name of the series.
   (B) A certificate of designation may include any other matter that the members of such series determine to include therein.
   (C) A certificate of designation properly filed with the secretary of state prior to July 1, 2022, shall be deemed to comply with the requirements of this paragraph.

(2) A certificate of designation shall be executed in accordance with K.S.A. 2019 Supp. 17-7908(b), and amendments thereto, and shall be filed in the office of the secretary of state in accordance with K.S.A. 2019 Supp. 17-7910, and amendments thereto. A certificate of designation is not an amendment to the articles of organization of the limited liability company.

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

(4) (A) The certificate of amendment shall set forth:
   (i) The name of the limited liability company;
   (ii) the name of the series; and
   (iii) the amendment to the certificate of designation.
   (B) A certificate of designation properly filed with the secretary of state prior to July 1, 2022, that changed a previously filed certificate of designation shall be deemed to be a certificate of amendment thereto for purposes of this paragraph.

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

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

(6) Unless otherwise provided in the Kansas revised limited liability company act or unless a later effective date or time, which shall be a date
or time certain, is provided for in the certificate of amendment, a certificate of amendment shall be effective at the time of its filing with the secretary of state.

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

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

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

(B) A certificate of designation properly filed with the secretary of state prior to July 1, 2022, that dissolved a series shall be deemed to be a certificate of cancellation thereto for purposes of this paragraph.

(8) A certificate of cancellation of the certificate of designation that is filed in the office of the secretary of state prior to the dissolution or the completion of winding up of a series may be corrected as an erroneously executed certificate of cancellation of the certificate of designation by filing with the office of the secretary of state a certificate of correction of such certificate of cancellation of the certificate of designation in accordance with K.S.A. 2019 Supp. 17-7912, and amendments thereto.

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

(e) The name of each series as set forth in its certificate of designation:
(1) Shall include the name of the limited liability company, including any word, abbreviation or designation required by K.S.A. 2019 Supp. 17-7920, and amendments thereto;

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

(3) must comply with the requirements of K.S.A. 2019 Supp. 17-7918, and amendments thereto, to the same extent as a covered entity; and

(4) may contain any word permitted by K.S.A. 2019 Supp. 17-7920, and amendments thereto, and may not contain any word prohibited to be included in the name of a limited liability company under Kansas law.

(f) If a foreign limited liability company, as permitted in the jurisdiction of its organization, has established a series having separate rights, powers or duties and has limited the liabilities of such series so that is registered to do business in this state in accordance with K.S.A. 2019 Supp. 17-7931, and amendments thereto, is governed by an operating agreement that establishes or provides for the establishment of a series of members, managers, limited liability company interests or assets having separate rights, powers or duties with respect to specified property or obligations of the foreign limited liability company or profits and losses associated with specified property or obligations, that fact shall be so stated on the application for registration as a foreign limited liability company. In addition, the foreign limited liability company shall state on such application whether the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series, if any are enforceable against the assets of such series only, and not against the assets of the foreign limited liability company generally or any other series thereof, or so that and whether any of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof are not shall be enforceable against the assets of such series, then the limited liability company, on behalf of itself or any of its series, or any of its series on their own behalf may register to do business in the state in accordance with the provisions of K.S.A. 2019 Supp. 17-7931, and amendments thereto. The limitation of liability shall be so stated on the application for admission as a foreign limited liability company and a certificate of designation shall be filed for each series being registered to do business in the state by the limited liability company. Unless otherwise provided in the operating agreement, the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series of such a foreign limited liability company shall be enforceable against the assets of such series only, and not against the assets of the foreign limited liability company generally or any other series thereof and none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such a foreign limited liability-
company generally or any other series thereof shall be enforceable against
the assets of such series.
Sec. 10. K.S.A. 2019 Supp. 17-76,143a is hereby amended to read as
follows: 17-76,143a. (a) Pursuant to an agreement of merger or
consolidation, one or more series may merge or consolidate with or into
one or more other series of the same limited liability company with such
series as the agreement shall provide being the surviving or resulting
series. Unless otherwise provided in the operating agreement, an
agreement of merger or consolidation shall be consented to or approved by
each series that is to merge or consolidate by members of such series who
own more than 50% of the then-current percentage or other interest in the
profits of such series owned by all of the members of such series. In
connection with a merger or consolidation hereunder, rights or securities
of, or interests in, a series which is a constituent party to the merger or
consolidation may be exchanged for or converted into cash, property,
rights, or securities of, or interests in, the surviving or resulting series or, in
addition to or in lieu thereof, may be exchanged for or converted into cash,
property, rights, or securities of, or interests in, an entity as defined in
K.S.A. 2019 Supp. 17-78-102, and amendments thereto, that is not the
surviving or resulting series in the merger or consolidation, may remain
outstanding or may be canceled. Notwithstanding prior consent or
approval, an agreement of merger or consolidation may be terminated or
amended pursuant to a provision for such termination or amendment
contained in the agreement of merger or consolidation.
(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 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 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, 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 desired to be effected by the merger;
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 pursuant to this section shall be effective upon the filing of a certificate of merger or consolidation in the office of the secretary of state.
(d) A certificate of merger or consolidation 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 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. 2019 Supp. 17-76,143, and amendments thereto, with respect to such amendments set forth in the certificate of merger or consolidation. Whenever this section requires the filing of a certificate of merger or consolidation, such requirement shall be deemed satisfied by the filing of an agreement of merger or consolidation containing the information required by this section to be set forth in the certificate of merger or consolidation.
(e) An agreement of merger or consolidation consented to or approved in accordance with subsection (a) may effect any amendment to the operating agreement relating solely to the series that are constituent parties to the merger or consolidation. Any amendment to an operating agreement relating solely to the series that are constituent parties to the merger or consolidation made pursuant to the foregoing sentence shall be effective at the effective time or date of the merger or consolidation and shall be effective notwithstanding any provision of the operating agreement relating to amendment of the operating agreement, other than a provision that by its terms applies to an amendment to the operating agreement in connection with a merger or consolidation. The provisions of this subsection shall not be construed to limit the accomplishment of a merger or of any of the matters referred to herein by any other means provided for in an operating agreement or other agreement or as otherwise permitted by law, including that the operating agreement relating to any constituent series to the merger or consolidation, including a series formed for the purpose of consummating a merger or consolidation, shall be the operating agreement of the surviving or resulting series.
(f) (1) (A) When any merger or consolidation shall have become effective under this section, for all purposes of the laws of the state of
Kansas, all of the rights, privileges and powers of each of the series that
have merged or consolidated, and all property, real, personal and mixed,
and all debts due to any of such series, as well as all other things and
causes of action belonging to each of such series, shall be vested in the
surviving or resulting series, and shall thereafter be the property of the
surviving or resulting series as they were of each of the series that have
merged or consolidated, and the title to any real property vested by deed or
otherwise, under the laws of the state of Kansas, in any of such series,
shall not revert or be in any way impaired by reason of the Kansas revised
limited liability company act.

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

(2) Unless otherwise agreed, a merger or consolidation of a series that
is not the surviving or resulting series in the merger or consolidation, shall
not require such series to wind up its affairs under K.S.A. 2019 Supp. 17-
76,143, and amendments thereto, or pay its liabilities and distribute its
assets under K.S.A. 2019 Supp. 17-76,143, and amendments thereto, and
the merger or consolidation shall not constitute a dissolution of such series.

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

(h) This section shall take effect on and after July 1, 2020 2022.

Sec. 11.  K.S.A. 2019 Supp. 17-76,146 is hereby amended to read as
follows: 17-76,146. (a) A domestic limited liability company whose
articles of organization or a foreign limited liability company whose
authority to do business has been canceled or forfeited pursuant to K.S.A.
2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(ff)(d), and amendments
thereto, or whose articles of organization or authority to do business has
been forfeited pursuant to K.S.A. 17-76,139(d), and amendments thereto,
may be reinstated by filing with the secretary of state a certificate of
reinstatement accompanied by the payment of the fee required by K.S.A.
17-76,136(d), and amendments thereto, and payment of the annual report
fees due under K.S.A. 17-76,139(c), and amendments thereto, and all
penalties and interest thereon due at the time of the cancellation or
forfeiture of its articles of organization or authority to do business. The
certificate of reinstatement shall set forth:

(1) The name of the limited liability company at the time its articles
of organization or authority to do business was canceled or forfeited and, if
such name is not available at the time of reinstatement, the name under
which the limited liability company is to be reinstated;

(2) the address of the limited liability company's registered office in
the state of Kansas and the name and address of the limited liability
company's resident agent in the state of Kansas;

(3) a statement that the certificate of reinstatement is filed by one or
more persons authorized to execute and file the certificate of reinstatement
to reinstate the limited liability company; and

(4) any other matters the persons executing the certificate of
reinstatement determine to include therein.

(b) The certificate of reinstatement shall be deemed to be an
amendment to the articles of organization or application for registration of
the limited liability company, and the limited liability company shall not
be required to take any further action to amend its articles of organization
or application for registration under K.S.A. 17-7674 or K.S.A. 2019 Supp.
17-7935, and amendments thereto, with respect to the matters set forth in
the certificate of reinstatement.

(c) Upon the filing of a certificate of reinstatement, a limited liability
company shall be reinstated with the same force and effect as if its articles
of organization or authority to do business had not been canceled or
forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-
7926(b), 17-7929(b) or 17-7934(f)(d), and amendments thereto. Such
reinstatement shall validate all contracts, acts, matters and things made,
done and performed by the limited liability company, its members,
managers, employees and agents during the time when its articles of
organization or authority to do business was canceled or forfeited pursuant
to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or
17-7934(f)(d), and amendments thereto, with the same force and effect and
to all intents and purposes as if the articles of organization or authority to
do business had remained in full force and effect. All real and personal
property, and all rights and interests, which belonged to the limited
liability company at the time its articles of organization or authority to do
business was canceled or forfeited pursuant to K.S.A. 17-76,139(d) or
K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(f)(d), and
amendments thereto, or which were acquired by the limited liability
company following the cancellation or forfeiture of its articles of
organization or authority to do business pursuant to K.S.A. 17-76,139(d)
or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(f)(d), and
amendments thereto, and which were not disposed of prior to the time of
its reinstatement, shall be vested in the limited liability company after its
reinstatement as fully as they were held by the limited liability company
at, and after, as the case may be, the time its articles of organization or
authority to do business was canceled or forfeited pursuant to K.S.A 17-
76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(f)(d),
and amendments thereto. After its reinstatement, the limited liability
company shall be as exclusively liable for all contracts, acts, matters and
things made, done or performed in its name and on its behalf by its
members, managers, employees and agents prior to its reinstatement as if
its articles of organization or authority to do business had at all times
remained in full force and effect.

Sec. 12. On and after July 1, 2022, K.S.A. 2019 Supp. 17-76,146, as
amended by section 11 of this act, is hereby amended to read as follows:
17-76,146. (a) A domestic limited liability company whose articles of
organization or a foreign limited liability company whose authority to do
business has been canceled or forfeited pursuant to K.S.A. 2019 Supp. 17-
7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, or whose
articles of organization or authority to do business has been forfeited
pursuant to K.S.A. 17-76,139(d), and amendments thereto, may be
reinstated by filing with the secretary of state a certificate of reinstatement
accompanied by the payment of the fee required by K.S.A. 17-76,136(d),
and amendments thereto, and payment of the annual report fees due under
K.S.A. 17-76,139(c), and amendments thereto, and all penalties and
interest thereon due at the time of the cancellation or forfeiture of its
articles of organization or authority to do business. The certificate of
reinstatement shall set forth:

(1) The name of the limited liability company at the time its articles
of organization or authority to do business was canceled or forfeited and, if
such name is not available at the time of reinstatement, the name under
which the limited liability company is to be reinstated;

(2) the address of the limited liability company's registered office in
the state of Kansas and the name and address of the limited liability
company's resident agent in the state of Kansas;

(3) a statement that the certificate of reinstatement is filed by one or
more persons authorized to execute and file the certificate of reinstatement
to reinstate the limited liability company; and

(4) any other matters the persons executing the certificate of
reinstatement determine to include therein.

(b) The certificate of reinstatement shall be deemed to be an
amendment to the articles of organization or application for registration of
the limited liability company, and the limited liability company shall not
be required to take any further action to amend its articles of organization
or application for registration under K.S.A. 17-7674 or K.S.A. 2019 Supp.
17-7935, and amendments thereto, with respect to the matters set forth in
the certificate of reinstatement.

(c) Upon the filing of a certificate of reinstatement, a limited liability
comp any and all series thereof that have been formed and have not had
their certificate of designation canceled prior to the cancellation of the
articles of organization shall be reinstated with the same force and effect as if its articles of organization or authority to do business had not been canceled or forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto. Such reinstatement shall validate all contracts, acts, matters and things made, done and performed by the limited liability company, its members, managers, employees and agents during the time when its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, with the same force and effect and to all intents and purposes as if the articles of organization or authority to do business had remained in full force and effect. All real and personal property, and all rights and interests, which belonged to the limited liability company at the time its articles of organization or authority to do business was canceled or forfeited pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, or which were acquired by the limited liability company following the cancellation or forfeiture of its articles of organization or authority to do business pursuant to K.S.A. 17-76,139(d) or K.S.A. 2019 Supp. 17-7926(b), 17-7929(b) or 17-7934(d), and amendments thereto, which were not disposed of prior to the time of its reinstatement, shall be vested in the limited liability company after its reinstatement as fully as they were held by the limited liability company at, and after, as the case may be, the time its articles of organization or authority to do business had at all times remained in full force and effect.

Sec. 13. K.S.A. 2019 Supp. 17-76,147 is hereby amended to read as follows: 17-76,147. (a) A series whose certificate of designation has been canceled pursuant to K.S.A. 17-76,139, and amendments thereto, may be reinstated by filing in the office of the secretary of state a certificate of reinstatement accompanied by the payment of the fee required by K.S.A. 17-76,136(d), and amendments thereto, and payment of the annual report fee due under K.S.A. 17-76,139(c), and amendments thereto, and all penalties and interest thereon due at the time of the cancellation of its certificate of designation. The certificate of reinstatement shall set forth:

(1) The name of the limited liability company at the time the certificate of designation was canceled and, if such name has changed, the
name of the limited liability company at the time of reinstatement of the
series;
(2) the name of the series at the time the certificate of designation
was canceled and, if such name is not available at the time of
reinstatement, the name under which the series is to be reinstated;
(3) a statement that the certificate of reinstatement is filed by one or
more persons authorized to execute and file the certificate of reinstatement
to reinstate the series; and
(4) any other matters the persons executing the certificate of
reinstatement determine to include therein.
(b) The certificate of reinstatement shall be deemed to be an
amendment to the certificate of designation, and no further actions shall be
required to amend its certificate of designation under K.S.A. 2019 Supp.
17-76,143(d)(3), and amendments thereto, with respect to the matters set
forth in the certificate of reinstatement.
(c) Upon the filing of a certificate of reinstatement, a series shall be
reinstated with the same force and effect as if its certificate of designation
had not been canceled pursuant to K.S.A. 17-76,139, and amendments
thereof. Such reinstatement shall validate all contracts, acts, matters and
things made, done and performed by the series, its members, managers,
employees and agents during the time when its certificate of designation
was canceled pursuant to K.S.A. 17-76,139, and amendments thereto, with
the same force and effect and to all intents and purposes as if the certificate
of designation had remained in full force and effect. All real and personal
property, and all rights and interests, that belonged to the series at the time
its certificate of designation was canceled pursuant to K.S.A. 17-76,139,
and amendments thereto, or were acquired by the series following the
cancellation of its certificate of designation pursuant to K.S.A. 17-76,139,
and amendments thereto, and were not disposed of prior to the time of its
reinstatement, shall be vested in the series after its reinstatement as fully as
they were held by the series at, and after, as the case may be, the time its
certificate of designation was canceled pursuant to K.S.A. 17-76,139, and
amendments thereto. After its reinstatement, the series shall be as
exclusively liable for all contracts, acts, matters and things made, done or
performed in its name and on its behalf by its members, managers,
employees and agents prior to its reinstatement as if its certificate of
designation had at all times remained in full force and effect.
(d) This section shall take effect on and after July 1, 2020.

Sec. 14. K.S.A. 2019 Supp. 17-78-601 is hereby amended to read as
follows: 17-78-601. (a) When any provision of this act requires any
instrument to be filed with the secretary of state, such instrument shall be
filed in accordance with this section:
(1) The document shall contain the information required by this act;
(2) the document shall be in a record;
(3) the document shall be in the English language, but the name of an entity need not be in English if written in English letters or Arabic or Roman numerals;
(4) the document shall be signed:
   (A) By an officer of a domestic or foreign corporation;
   (B) by a person authorized by a domestic or foreign entity that is not a corporation; or
   (C) if the entity is in the hands of a receiver, trustee or other court-appointed fiduciary, by that person;
(5) the instrument shall state the name and capacity of the person that signed it;
(6) any signature on instruments authorized to be filed with the secretary of state under this act may be a facsimile, an electronic signature, a conformed signature or an electronically transmitted signature. The execution of any instrument required to be filed with the secretary of state shall constitute an oath or affirmation, under the penalties of perjury, that the facts stated in the instrument are true; and
(7) the instrument shall be delivered to the office of the secretary of state for filing. Delivery may be made by electronic transmission if and to the extent permitted by the secretary of state.
(b) When a document is delivered to the office of the secretary of state for filing, the correct filing fee and any tax, fee or penalty required to be paid by this act or other law shall be paid. The secretary of state shall establish by rule and regulation the filing fees for instruments filed pursuant to this act.
(c) Upon delivery of the instrument and upon tender of the required fees and any taxes:
   (1) The secretary of state shall certify that the instrument has been filed in the office of secretary of state by endorsing upon the original signed instrument the word "Filed" and the date and hour of its filing. This endorsement is the "filing date" of the instrument and is conclusive of the date and time of its filing in the absence of actual fraud. The secretary of state shall thereupon record the endorsed instrument in an electronic medium; and
   (2) the secretary of state shall return a certified copy of the recorded instrument.
(d) Any instrument filed in accordance with this section shall be effective upon its filing date unless a later effective date, not to exceed 90 days from the date of filing, was specified in the instrument.
(e) If any instrument authorized to be filed with the secretary of state is filed and is inaccurately, defectively or erroneously executed or otherwise defective in any respect, the secretary of state shall not be liable
to any person for the preclearance for filing, the acceptance for filing or
the filing and indexing such instrument.

(f) Whenever a provision of this act permits any of the terms of an
agreement or a filed document to be dependent on facts objectively
ascertainable outside the agreement or filed document, the following rules
apply:
(1) The manner in which the facts will operate upon the terms of the
agreement or filed document must be set forth in the agreement or filed
document;
(2) the facts may include, but are not limited to:
(A) Any of the following that is available in a nationally recognized
news or information medium either in print or electronically, statistical or
market indices, market prices of any security or group of securities,
interest rates, currency exchange rates or similar economic or financial
data;
(B) a determination or action by any person or body, including the
entity or any other party to an agreement or filed document; or
(C) the terms of, or actions taken under, an agreement to which the
entity is a party or any other agreement or document;
(3) in this subsection, "filed document" means a document filed with
the secretary of state under this act. The following provisions of an
agreement or filed document may not be made dependent on facts outside
the agreement or filed document:
(A) The name and address of any person required in a filed
document;
(B) the registered office of any entity required in a filed document;
(C) the resident agent of any entity required in a filed document;
(D) the number of authorized shares and designation of each class or
series of shares of a corporation;
(E) the effective date of a filed document; and
(F) any required statement in a filed document of the manner in
which that approval was given;
(4) if a provision of a filed document is made dependent on a fact
ascertainable outside of the filed document and that fact is not
ascertainable by reference to a source described in subsection (c)(2)(A) or
a document that is a matter of public record, or if the affected interest
holders have not received notice of the fact from the entity, the entity shall
file with the secretary of state a certificate of amendment setting forth the
fact promptly after the fact referred to is first ascertainable or thereafter
changes.

Sec. 15. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7904 is
hereby amended to read as follows: 17-7904. The following documents
related to limited liability companies shall be filed with the secretary of
state:

(a) Articles of organization as set forth in K.S.A. 17-7673 and K.S.A. 2019 Supp. 17-7673a, and amendments thereto;
(b) professional articles of organization as set forth in K.S.A. 17-7673 and K.S.A. 2019 Supp. 17-7673a, and amendments thereto;
(c) series limited liability company articles of organization as set forth in K.S.A. 2019 Supp. 17-76,143, and amendments thereto;
(d) foreign limited liability company application for authority as set forth in K.S.A. 2019 Supp. 17-7931, and amendments thereto;
(f) annual report as set forth in K.S.A. 17-76,139, and amendments thereto;
(g) certificate of amendment as set forth in K.S.A. 17-7674 and K.S.A. 2019 Supp. 17-7674a and 17-76,143, and amendments thereto;
(h) restated articles of organization as set forth in K.S.A. 17-7680, and amendments thereto;
(i) series certificate of designation as set forth in K.S.A. 2019 Supp. 17-76,143, and amendments thereto;
(j) certificate of amendment or termination to certificate of merger or consolidation as set forth in K.S.A. 17-7681 or K.S.A. 2019 Supp. 17-76,143a, and amendments thereto;
(k) certificate of correction as set forth in K.S.A. 2019 Supp. 17-7912, and amendments thereto;
(l) foreign certificate of correction as set forth in K.S.A. 2019 Supp. 17-7912, and amendments thereto;
(m) change of registered office or resident agent as set forth in K.S.A. 2019 Supp. 17-7926, 17-7927, 17-7928 and 17-7929, and amendments thereto;
(n) mergers or consolidations as set forth in K.S.A. 17-7681 or K.S.A. 2019 Supp. 17-76,143a, and amendments thereto;
(o) reinstatement as set forth in K.S.A. 17-76,139 or K.S.A. 2019 Supp. 17-76,147, and amendments thereto;
(p) certificate of cancellation as set forth in K.S.A. 17-7675 or K.S.A. 2019 Supp. 17-76,143, and amendments thereto;
(q) foreign cancellation of registration as set forth in K.S.A. 2019 Supp. 17-7936, and amendments thereto; and
(r) certificate of division as set forth in K.S.A. 2019 Supp.17-7685a, and amendments thereto.

Sec. 16. K.S.A. 2019 Supp. 17-7910 is hereby amended to read as follows: 17-7910. When any document is required by this act to be filed with the secretary of state, such requirement means that:
(a) The original signed document shall be delivered to the office of the secretary of state, where the document shall be recorded in an electronic medium. Any signature on documents authorized to be filed with the secretary of state under the provisions of this act may be a facsimile, a conformed signature, an electronic signature or an electronically transmitted signature;

(b) all taxes and fees authorized by law to be collected by the secretary of state in connection with the filing of the document shall be tendered to the secretary of state;

(c) upon delivery of the document, and upon tender of the required taxes and fees, the secretary of state shall, if the secretary of state finds that the document conforms to law, certify that the document has been filed in the office of the secretary of state by endorsing upon the electronically-recorded document the word "Filed" and the date and hour of its filing. This endorsement is the "filing date" of the document and is conclusive of the date and time of its filing in the absence of actual fraud. The secretary of state shall thereupon record the endorsed document in an electronic medium and that electronic document shall become the original document; and

(d) the secretary of state shall return a certified copy of the recorded document to the person who filed the document or that person's representative, except this provision shall not apply to annual reports.

(e) A person who executes any document required by this act to be filed with the secretary of state, including a person who executes such document as an agent or fiduciary, shall not be required to exhibit evidence of the person's authority as a prerequisite to filing such documents with the secretary of state.

Sec. 17. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7918 is hereby amended to read as follows: 17-7918. (a) Except as otherwise provided in subsection (b), the names of all covered entities, except for banks, savings and loan associations and savings banks, must be distinguishable on the records of the office of the secretary of state from:

1. The name of any other covered entity or foreign covered entity;
2. the name of any non-covered entity, other than a general partnership, that has filed with the office of the secretary of state, including a series of a limited liability company for which a certificate of designation has been filed;
3. any entity name reserved pursuant to K.S.A. 2019 Supp. 17-7923, and amendments thereto; and
4. the name of any other covered entity, series of a limited liability company or foreign covered entity whose public organic documents, certificate of designation or foreign registration has been canceled or forfeited for any reason within the previous one year.
(b) A covered entity may register under any name that is not distinguishable on the records of the office of the secretary of state from the name of any other covered entity or non-covered entity that has filed with the office of the secretary of state with the written consent of the other entity, which written consent shall be filed with the secretary of state.

(c) A covered entity may use a name that is not distinguishable from a name described in subsection (a)(1) through (3) if the entity delivers to the secretary of state a certified copy of a final judgment of a court of competent jurisdiction establishing the right of the entity to use the name in this state.

Sec. 18. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7923 is hereby amended to read as follows: 17-7923. (a) The exclusive right to the use of an entity name or, as applicable, the name of a series of a limited liability company, may be reserved by:

(1) Any person intending to organize a covered entity under the laws of this state;

(2) any domestic limited liability company or any person intending to organize a domestic limited liability company, intending to file a certificate of designation to form a series of any such limited liability company;

(3) any domestic covered entity intending to change its name or intending to change the name of a series for which a certificate of designation has been filed;

(4) any foreign covered entity intending to make application for a certificate of authority to transact business in this state;

(5) any foreign covered entity authorized to transact business in this state, and intending to change its name; and

(6) any person intending to organize a foreign covered entity, and intending to have such entity make application for a certificate of authority to transact business in this state.

(b) The reservation shall be made by filing with the secretary of state an application to reserve a specific covered entity name or the name of a series of a domestic limited liability company, executed by the applicant. The reservation may be filed by telefacsimile communication as prescribed by K.S.A. 2019 Supp. 17-7914, and amendments thereto. If the secretary of state finds that the name is available, the secretary of state shall reserve the same for the exclusive use of the applicant for a period of 120 days.

(c) The right to exclusive use of a specified entity name or the name of a series of a domestic limited liability company, reserved pursuant to this section, may be transferred to any other person or covered entity by filing in the office of the secretary of state, a notice of such transfer, executed by the applicant for whom the name was reserved, and specifying the name and address of the transferee.
(d) This section shall take effect on and after January 1, 2015.

Sec. 19. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7933 is hereby amended to read as follows: 17-7933. (a) Except as otherwise provided in subsection (b), the names of all foreign covered entities must be distinguishable on the records of the office of the secretary of state from:

(1) The name of any covered entity or foreign covered entity;
(2) the name of any non-covered entity, other than a general partnership, that has filed with the secretary of state, including a series of a limited liability company for which a certificate of designation has been filed;
(3) any entity name reserved pursuant to K.S.A. 2019 Supp. 17-7923, and amendments thereto; and
(4) the name of any other covered entity, series of a limited liability company or foreign covered entity whose public organic document, certificate of designation or foreign registration has been canceled or forfeited for any reason within the previous one year.

(b) A foreign covered entity may register under any name that is not distinguishable on the records of the office of the secretary of state from the name of any other covered entity or non-covered entity that has filed with the office of the secretary of state:

(1) With the written consent of the other entity, which written consent shall be filed with the secretary of state; or
(2) if the foreign covered entity indicates, as a means of identification and in its advertising within this state, the state in which the foreign covered entity was formed, and the application sets forth this condition.

Sec. 20. K.S.A. 2019 Supp. 45-229 is hereby amended to read as follows: 45-229. (a) It is the intent of the legislature that exceptions to disclosure under the open records act shall be created or maintained only if:

(1) The public record is of a sensitive or personal nature concerning individuals;
(2) the public record is necessary for the effective and efficient administration of a governmental program; or
(3) the public record affects confidential information.

The maintenance or creation of an exception to disclosure must be compelled as measured by these criteria. Further, the legislature finds that the public has a right to have access to public records unless the criteria in this section for restricting such access to a public record are met and the criteria are considered during legislative review in connection with the particular exception to disclosure to be significant enough to override the strong public policy of open government. To strengthen the policy of open government, the legislature shall consider the criteria in this section before
enacting an exception to disclosure.

(b) Subject to the provisions of subsections (g) and (h), any new exception to disclosure or substantial amendment of an existing exception shall expire on July 1 of the fifth year after enactment of the new exception or substantial amendment, unless the legislature acts to continue the exception. A law that enacts a new exception or substantially amends an existing exception shall state that the exception expires at the end of five years and that the exception shall be reviewed by the legislature before the scheduled date.

(c) For purposes of this section, an exception is substantially amended if the amendment expands the scope of the exception to include more records or information. An exception is not substantially amended if the amendment narrows the scope of the exception.

(d) This section is not intended to repeal an exception that has been amended following legislative review before the scheduled repeal of the exception if the exception is not substantially amended as a result of the review.

(e) In the year before the expiration of an exception, the revisor of statutes shall certify to the president of the senate and the speaker of the house of representatives, by July 15, the language and statutory citation of each exception that will expire in the following year that meets the criteria of an exception as defined in this section. Any exception that is not identified and certified to the president of the senate and the speaker of the house of representatives is not subject to legislative review and shall not expire. If the revisor of statutes fails to certify an exception that the revisor subsequently determines should have been certified, the revisor shall include the exception in the following year's certification after that determination.

(f) "Exception" means any provision of law that creates an exception to disclosure or limits disclosure under the open records act pursuant to K.S.A. 45-221, and amendments thereto, or pursuant to any other provision of law.

(g) A provision of law that creates or amends an exception to disclosure under the open records law shall not be subject to review and expiration under this act if such provision:

1. is required by federal law;
2. applies solely to the legislature or to the state court system;
3. has been reviewed and continued in existence twice by the legislature; or
4. has been reviewed and continued in existence by the legislature during the 2013 legislative session and thereafter.

(h) (1) The legislature shall review the exception before its scheduled expiration and consider as part of the review process the following:
(A) What specific records are affected by the exception;
(B) whom does the exception uniquely affect, as opposed to the general public;
(C) what is the identifiable public purpose or goal of the exception;
(D) whether the information contained in the records may be obtained readily by alternative means and how it may be obtained;
(2) an exception may be created or maintained only if it serves an identifiable public purpose and may be no broader than is necessary to meet the public purpose it serves. An identifiable public purpose is served if the legislature finds that the purpose is sufficiently compelling to override the strong public policy of open government and cannot be accomplished without the exception and if the exception:
(A) Allows the effective and efficient administration of a governmental program that would be significantly impaired without the exception;
(B) protects information of a sensitive personal nature concerning individuals, the release of such information would be defamatory to such individuals or cause unwarranted damage to the good name or reputation of such individuals or would jeopardize the safety of such individuals. Only information that would identify the individuals may be excepted under this paragraph; or
(C) protects information of a confidential nature concerning entities, including, but not limited to, a formula, pattern, device, combination of devices, or compilation of information that is used to protect or further a business advantage over those who do not know or use it, if the disclosure of such information would injure the affected entity in the marketplace.
(3) Records made before the date of the expiration of an exception shall be subject to disclosure as otherwise provided by law. In deciding whether the records shall be made public, the legislature shall consider whether the damage or loss to persons or entities uniquely affected by the exception of the type specified in paragraph (2)(B) or (2)(C) would occur if the records were made public.
(i) (1) Exceptions contained in the following statutes as continued in existence in section 2 of chapter 126 of the 2005 Session Laws of Kansas and that have been reviewed and continued in existence twice by the legislature as provided in subsection (g) are hereby continued in existence:
(2) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) and that have been reviewed during the 2015 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in existence: 17-2036, 40-5301, 45-221(a)(45), (46) and (49), 48-16a10, 58-4616, 60-3351, 72-972a, 74-50,217 and 75-53,105.

(j) (1) Exceptions contained in the following statutes as continued in existence in section 1 of chapter 87 of the 2006 Session Laws of Kansas and that have been reviewed and continued in existence twice by the legislature as provided in subsection (g) are hereby continued in existence: 17-2036, 40-5301, 45-221(a)(45), (46) and (49), 48-16a10, 58-4616, 60-3351, 72-972a, 74-50,217 and 75-53,105.

(2) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) during 2015 and that have been reviewed during the 2016 legislative session are hereby continued in existence: 12-5611, 22-4906, 22-4909, 38-2310, 38-2311, 38-2326, 40-955, 44-1132, 45-221(a)(10)(F) and (a)(50), 60-3333, 65-4a05, 65-445(g), 65-6154, 71-218, 75-457, 75-712c, 75-723 and 75-7c06.

(k) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) and that have been reviewed during the 2014 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in...
existence: 1-205, 2-2204, 8-240, 8-247, 8-255c, 8-1324, 8-1325, 12-17,150, 12-2001, 17-12a607, 38-1008, 38-2209, 40-5006, 40-5108, 41-2905, 41-2906, 44-706, 44-1518, 45-221(a)(44), (45), (46), (47) and (48), 50-6a11, 56-1a610, 56a-1204, 65-1,243, 65-16,104, 65-3239, 74-50,184, 74-8134, 74-99b06, 77-503a and 82a-2210.

(l) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) during 2016 and that have been reviewed during the 2017 legislative session are hereby continued in existence: 12-5711, 21-2511, 22-4909, 38-2313, 45-221(a)(51) and (52), 65-516, 65-1505, 74-2012, 74-5607, 74-8745, 74-8752, 74-8772, 75-7d01, 75-7d05, 75-5133, 75-7427 and 79-3234.

(m) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) during 2012 and that have been reviewed during the 2013 legislative session and continued in existence by the legislature as provided in subsection (g) are hereby continued in existence: 12-5811, 40-222, 40-223j, 40-5007a, 40-5009a, 40-5012a, 65-1685, 65-1695, 65-2838a, 66-1251, 66-1805, 72-60c01, 75-712 and 75-5366.

(n) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) and that have been reviewed during the 2018 legislative session are hereby continued in existence: 9-513c(c)(2), 39-709, 45-221(a)(26), (53) and (54), 65-6832, 65-6834, 75-7c06 and 75-7c20.

(o) Exceptions contained in the following statutes as certified by the revisor of statutes to the president of the senate and the speaker of the house of representatives pursuant to subsection (e) that have been reviewed during the 2019 legislative session are hereby continued in existence: 21-2511(h)(2), 21-5905(a)(7), 22-2302(b) and (c), 22-2502(d) and (e), 40-222(k)(7), 44-714(e), 45-221(a)(55), 46-1106(g) regarding 46-1106(i), 65-2836(i), 65-2839a(c), 65-2842(d), 65-28a05(n), article 6(d) of 65-6230, 72-6314(a) and 74-7047(b).

Sec. 21. K.S.A. 56-1a151 is hereby amended to read as follows: 56-1a151. (a) In order to form a limited partnership, a certificate of limited partnership must be executed and filed in the office of the secretary of state. Such certificate shall set forth:

(1) The name of the limited partnership;

(2) the address of the registered office and the name and address of the resident agent for service of process required to be maintained by K.S.A. 56-1a104 2019 Supp. 17-7925, and amendments thereto;

(3) the name and the business or residence address of each general
partner;
(4) the latest date upon which the limited partnership is to dissolve; and
(5) any other matters the general partners determine to include in the certificate.
(b) A limited partnership is formed at the time of the filing of the initial certificate of limited partnership in the office of the secretary of state or at any later time specified in the certificate of limited partnership if, in either case, there has been substantial compliance with the requirements of this section.
Sec. 22. K.S.A. 56a-101 is hereby amended to read as follows: 56a-101. In this act:
(a) "Business" includes every trade, occupation, and profession.
(b) "Debtor in bankruptcy" means a person who is the subject of:
(1) An order for relief under title 11 of the United States code or a comparable order under a successor statute of general application; or
(2) a comparable order under federal, state, or foreign law governing insolvency.
(c) "Distribution" means a transfer of money or other property from a partnership to a partner in the partner's capacity as a partner or to the partner's transferee.
(d) "Foreign limited liability partnership" means a partnership that:
(1) Is formed under laws other than the laws of this state; and
(2) has the status of a limited liability partnership under those laws.
(e) "Limited liability partnership" means a partnership that has filed a statement of qualification under K.S.A. 56a-1001, and amendments thereto, and does not have a similar statement in effect in any other jurisdiction.
(f) "Partnership" means an association of two or more persons to carry on as co-owners a business for profit formed under K.S.A. 56a-202, and amendments thereto, predecessor law, or comparable law of another jurisdiction.
(g) "Partnership agreement" means the agreement, whether written, oral, or implied, among the partners concerning the partnership, including amendments to the partnership agreement.
(h) "Partnership at will" means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.
(i) "Partnership interest" or "partner's interest in the partnership" means all of a partner's interests in the partnership, including the partner's transferable interest and all management and other rights.
(j) "Person" means an individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental
(k) "Property" means all property, real, personal, or mixed, tangible or intangible, or any interest therein.

(l) "State" means a state of the United States, the District of Columbia, the commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

(m) "Statement" means a statement of partnership authority under K.S.A. 56a-303, and amendments thereto, a statement of denial under K.S.A. 56a-304, and amendments thereto, a statement of dissociation under K.S.A. 56a-704, and amendments thereto, a statement of dissolution under K.S.A. 56a-805, and amendments thereto, a statement of merger under K.S.A. 56a-907, and amendments thereto, a statement of qualification under K.S.A. 56a-1001, and amendments thereto, a statement of foreign qualification under K.S.A. 56a-1102, and amendments thereto, or an amendment or cancellation of any of the foregoing.

(n) "Street address" means the location with the number, street, city, state and postal code.

(o) "Transfer" includes an assignment, conveyance, lease, mortgage, deed, and encumbrance.

Sec. 23. K.S.A. 2019 Supp. 56a-1001 is hereby amended to read as follows: 56a-1001. (a) A partnership may become a limited liability partnership pursuant to this section.

(b) The terms and conditions on which a partnership becomes a limited liability partnership must be approved by the vote necessary to amend the partnership agreement except, in the case of a partnership agreement that expressly considers contribution obligations, the vote necessary to amend those provisions.

(c) After the approval required by subsection (b), a partnership may become a limited liability partnership by filing a statement of qualification. The statement must contain:

(1) The name of the partnership;

(2) the address of the registered office and the name of the resident agent for service of process required to be maintained pursuant to K.S.A. 2019 Supp. 56a-1005 l7-7925, and amendments thereto;

(3) a statement that the partnership elects to be a limited liability partnership; and

(4) a deferred effective date, if any.

(d) The status of a partnership as a limited liability partnership is effective on the later of the filing of the statement or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to subsection (d) of K.S.A. 56a-105(d), and amendments thereto, or revoked pursuant to K.S.A. 56a-1201,
and amendments thereto.

(e) The status of a partnership as a limited liability partnership and the liability of its partners is not affected by errors or later changes in the information required to be contained in the statement of qualification under subsection (c).

(f) The filing of a statement of qualification establishes that a partnership has satisfied all conditions precedent to the qualification of the partnership as a limited liability partnership.

(g) An amendment or cancellation of a statement of qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.

Sec. 24. On and after July 1, 2022, K.S.A. 2019 Supp. 84-1-201 is hereby amended to read as follows: 84-1-201. (a) Unless the context otherwise requires, words or phrases defined in this section, or in the additional definitions contained in other articles of the uniform commercial code that apply to particular articles or parts thereof, have the meanings stated.

(b) Subject to definitions contained in other articles of the uniform commercial code that apply to particular articles or parts thereof:

(1) "Action," in the sense of a judicial proceeding, includes recoupment, counterclaim, set-off, suit in equity, and any other proceeding in which rights are determined.

(2) "Aggrieved party" means a party entitled to pursue a remedy.

(3) "Agreement," as distinguished from "contract," means the bargain of the parties in fact, as found in their language or inferred from other circumstances, including course of performance, course of dealing, or usage of trade as provided in K.S.A. 2019 Supp. 84-1-303, and amendments thereto.

(4) "Bank" means a person engaged in the business of banking and includes a savings bank, savings and loan association, credit union, and trust company.

(5) "Bearer" means a person in control of a negotiable electronic document of title or a person in possession of a negotiable instrument, negotiable tangible document of title, or certificated security that is payable to bearer or indorsed in blank.

(6) "Bill of lading" means a document of title evidencing the receipt of goods for shipment issued by a person engaged in the business of directly or indirectly transporting or forwarding goods. The term does not include a warehouse receipt.

(7) "Branch" includes a separately incorporated foreign branch of a bank.

(8) "Burden of establishing" a fact means the burden of persuading the trier of fact that the existence of the fact is more probable than its
"Buyer in ordinary course of business" means a person that buys goods in good faith, without knowledge that the sale violates the rights of another person in the goods, and in the ordinary course from a person, other than a pawnbroker, in the business of selling goods of that kind. A person buys goods in the ordinary course if the sale to the person comports with the usual or customary practices in the kind of business in which the seller is engaged or with the seller's own usual or customary practices. A person that sells oil, gas, or other minerals at the wellhead or minehead is a person in the business of selling goods of that kind. A buyer in ordinary course of business may buy for cash, by exchange of other property, or on secured or unsecured credit, and may acquire goods or documents of title under a preexisting contract for sale. Only a buyer that takes possession of the goods or has a right to recover the goods from the seller under article 2 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, may be a buyer in ordinary course of business. "Buyer in ordinary course of business" does not include a person that acquires goods in a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

"Conspicuous," with reference to a term, means so written, displayed, or presented that a reasonable person against which it is to operate ought to have noticed it. Whether a term is "conspicuous" or not is a decision for the court. Conspicuous terms include the following:

(A) A heading in capitals equal to or greater in size than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same or lesser size; and

(B) language in the body of a record or display in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from surrounding text of the same size by symbols or other marks that call attention to the language.

"Consumer" means an individual who enters into a transaction primarily for personal, family, or household purposes.

"Contract," as distinguished from "agreement," means the total legal obligation that results from the parties' agreement as determined by the uniform commercial code as supplemented by any other applicable laws.

"Creditor" includes a general creditor, a secured creditor, a lien creditor, and any representative of creditors, including an assignee for the benefit of creditors, a trustee in bankruptcy, a receiver in equity, and an executor or administrator of an insolvent debtor's or assignor's estate.

"Defendant" includes a person in the position of defendant in a counterclaim, cross-claim, or third-party claim.

"Delivery," with respect to an electronic document of title means voluntary transfer of control and with respect to an instrument, a tangible
"Document of title," means a record (i) that in the regular course of business or financing is treated as adequately evidencing that the person in possession or control of the record is entitled to receive, control, hold, and dispose of the record and the goods the record covers and (ii) that purports to be issued by or addressed to a bailee and to cover goods in the bailee's possession which are either identified or are fungible portions of an identified mass. The term includes a bill of lading, transport document, dock warrant, dock receipt, warehouse receipt and order for delivery of goods. An electronic document of title means a document of title evidenced by a record consisting of information stored in an electronic medium. A tangible document of title means a document of title evidenced by a record consisting of information that is inscribed on a tangible medium.

"Fault" means a default, breach, or wrongful act or omission.

"Fungible goods" means:

(A) Goods of which any unit, by nature or usage of trade, is the equivalent of any other like unit; or

(B) goods that by agreement are treated as equivalent.

"Genuine" means free of forgery or counterfeiting.

"Good faith," except as otherwise provided in article 5 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, means honesty in fact and the observance of reasonable commercial standards of fair dealing.

"Holder" means:

(A) The person in possession of a negotiable instrument that is payable either to bearer or to an identified person that is the person in possession; or

(B) the person in possession of a negotiable tangible document of title if the goods are deliverable either to bearer or to the order of the person in possession; or

(C) the person in control of a negotiable electronic document of title.

"Insolvency proceeding" includes an assignment for the benefit of creditors or other proceeding intended to liquidate or rehabilitate the estate of the person involved.

"Insolvent" means:

(A) Having generally ceased to pay debts in the ordinary course of business other than as a result of bona fide dispute;

(B) being unable to pay debts as they become due; or

(C) being insolvent within the meaning of federal bankruptcy law.

"Money" means a medium of exchange currently authorized or adopted by a domestic or foreign government. The term includes a monetary unit of account established by an intergovernmental organization.
or by agreement between two or more countries.

(25) "Organization" means a person other than an individual.

(26) "Party," as distinguished from "third party," means a person that has engaged in a transaction or made an agreement subject to the uniform commercial code.

(27) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, government, governmental subdivision, agency, or instrumentality, public corporation, or any other legal or commercial entity, or any series of any of the foregoing.

(28) "Present value" means the amount as of a date certain of one or more sums payable in the future, discounted to the date certain by use of either an interest rate specified by the parties if that rate is not manifestly unreasonable at the time the transaction is entered into or, if an interest rate is not so specified, a commercially reasonable rate that takes into account the facts and circumstances at the time the transaction is entered into.

(29) "Purchase" means taking by sale, lease, discount, negotiation, mortgage, pledge, lien, security interest, issue or reissue, gift, or any other voluntary transaction creating an interest in property.

(30) "Purchaser" means a person that takes by purchase.

(31) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(32) "Remedy" means any remedial right to which an aggrieved party is entitled with or without resort to a tribunal.

(33) "Representative" means a person empowered to act for another, including an agent, an officer of a corporation or association, and a trustee, executor, or administrator of an estate.

(34) "Right" includes remedy.

(35) "Security interest" means an interest in personal property or fixtures which secures payment or performance of an obligation. "Security interest" includes any interest of a consignor and a buyer of accounts, chattel paper, a payment intangible, or a promissory note in a transaction that is subject to article 9 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto. "Security interest" does not include the special property interest of a buyer of goods on identification of those goods to a contract for sale under K.S.A. 84-2-401 and amendments thereto, but a buyer may also acquire a "security interest" by complying with article 9 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto. Except as otherwise provided in K.S.A. 84-2-505, and amendments thereto, the right of a seller or lessor of goods under article 2 or 2a of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, to retain or acquire possession of the goods is not a "security interest," but a
seller or lessor may also acquire a "security interest" by complying with article 9 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto. The retention or reservation of title by a seller of goods notwithstanding shipment or delivery to the buyer under K.S.A. 84-2-401, and amendments thereto, is limited in effect to a reservation of a "security interest." Whether a transaction in the form of a lease creates a "security interest" is determined pursuant to K.S.A. 2019 Supp. 84-1-203, and amendments thereto.

(36) "Send" in connection with a writing, record, or notice means:
(A) To deposit in the mail or deliver for transmission by any other usual means of communication with postage or cost of transmission provided for and properly addressed and, in the case of an instrument, to an address specified thereon or otherwise agreed, or if there be none to any address reasonable under the circumstances; or
(B) in any other way to cause to be received any record or notice within the time it would have arrived if properly sent.

(37) "Signed" includes using any symbol executed or adopted with present intention to adopt or accept a writing.

(38) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(39) "Surety" includes a guarantor or other secondary obligor.

(40) "Term" means a portion of an agreement that relates to a particular matter.

(41) "Unauthorized signature" means a signature made without actual, implied, or apparent authority. The term includes a forgery.

(42) "Warehouse receipt" means a document of title issued by a person engaged in the business of storing goods for hire.

(43) "Writing" includes printing, typewriting, or any other intentional reduction to tangible form. "Written" has a corresponding meaning.

Sec. 25. On and after July 1, 2022, K.S.A. 2019 Supp. 84-9-102 is hereby amended to read as follows: 84-9-102. (a) **Article 9 definitions.** In this article:

(1) "Accession" means goods that are physically united with other goods in such a manner that the identity of the original goods is not lost.

(2) "Account," except as used in "account for," means a right to payment of a monetary obligation, whether or not earned by performance, (A) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (B) for services rendered or to be rendered, (C) for a policy of insurance issued or to be issued, (D) for a secondary obligation incurred or to be incurred, (E) for energy provided or to be provided, (F) for the use or hire of a vessel under a charter or other contract, (G) arising out of the use of a credit or charge card or information
contained on or for use with the card, or (H) as winnings in a lottery or
other game of chance operated or sponsored by a state, governmental unit
of a state, or person licensed or authorized to operate the game by a state
or governmental unit of a state. The term includes health-care-insurance
receivables. The term does not include: (A) Rights to payment evidenced
by chattel paper or an instrument, (B) commercial tort claims, (C) deposit
accounts, (D) investment property, (E) letter-of-credit rights or letters of
credit, or (F) rights to payment for money or funds advanced or sold, other
than rights arising out of the use of a credit or charge card or information
contained on or for use with the card.

(3) "Account debtor" means a person obligated on an account, chattel
paper, or general intangible. The term does not include persons obligated
to pay a negotiable instrument, even if the instrument constitutes part of
chattel paper.

(4) "Accounting," except as used in "accounting for," means a record:
(A) Authenticated by a secured party;
(B) indicating the aggregate unpaid secured obligations as of a date
not more than 35 days earlier or 35 days later than the date of the record;
and
(C) identifying the components of the obligations in reasonable detail.

(5) "Agricultural lien" means an interest, other than a security
interest, in farm products: (A) Which secures payment or performance of
an obligation for:
(i) Goods or services furnished in connection with a debtor's farming
operation; or
(ii) rent on real property leased by a debtor in connection with its
farming operation;
(B) which is created by statute in favor of a person that:
(i) In the ordinary course of its business furnished goods or services
to a debtor in connection with a debtor's farming operation; or
(ii) leased real property to a debtor in connection with the debtor's
farming operation; and
(C) whose effectiveness does not depend on the person's possession
of the personal property. Agricultural liens shall not include statutory liens.

(6) "As-extracted collateral" means: (A) Oil, gas, or other minerals
that are subject to a security interest that:
(i) Is created by a debtor having an interest in the minerals before
extraction; and
(ii) attaches to the minerals as extracted; or
(B) accounts arising out of the sale at the wellhead or minehead of
oil, gas, or other minerals in which the debtor had an interest before
extraction.

(7) "Authenticate" means:
(A) To sign; or
(B) with present intent to adopt or accept a record, to attach to or logically associate with the record an electronic sound, symbol or process.
(8) "Bank" means an organization that is engaged in the business of banking. The term includes savings banks, savings and loan associations, credit unions, and trust companies.
(9) "Cash proceeds" means proceeds that are money, checks, deposit accounts, or the like.
(10) "Certificate of title" means a certificate of title with respect to which a statute provides for the security interest in question to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral. The term includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificates of title if a statute permits the security interest in question to be indicated on the record as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.
(11) "Chattel paper" means a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this subsection, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term does not include (i) charters or other contracts involving the use or hire of a vessel or (ii) records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper.
(12) "Collateral" means the property subject to a security interest or agricultural lien. The term includes:
(A) Proceeds to which a security interest attaches;
(B) accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and
(C) goods that are the subject of a consignment.
(13) "Commercial tort claim" means a claim arising in tort with respect to which:
(A) The claimant is an organization; or
(B) the claimant is an individual and the claim:
(i) Arose in the course of the claimant's business or profession; and
(ii) does not include damages arising out of personal injury to or the
death of an individual.

(14) "Commodity account" means an account maintained by a commodity intermediary in which a commodity contract is carried for a commodity customer.

(15) "Commodity contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or another contract if the contract or option is:

(A) traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to federal commodities laws; or

(B) traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a commodity intermediary for a commodity customer.

(16) "Commodity customer" means a person for which a commodity intermediary carries a commodity contract on its books.

(17) "Commodity intermediary" means a person that:

(A) is registered as a futures commission merchant under federal commodities law; or

(B) in the ordinary course of its business provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities law.

(18) "Communicate" means:

(A) to send a written or other tangible record;

(B) to transmit a record by any means agreed upon by the persons sending and receiving the record; or

(C) in the case of transmission of a record to or by a filing office, to transmit a record by any means prescribed by filing-office rule.

(19) "Consignee" means a merchant to which goods are delivered in a consignment.

(20) "Consignment" means a transaction, regardless of its form, in which a person delivers goods to a merchant for the purpose of sale and:

(A) The merchant:

(i) Deals in goods of that kind under a name other than the name of the person making delivery;

(ii) is not an auctioneer; and

(iii) is not generally known by its creditors to be substantially engaged in selling the goods of others;

(B) with respect to each delivery, the aggregate value of the goods is $1,000 or more at the time of delivery;

(C) the goods are not consumer goods immediately before delivery; and

(D) the transaction does not create a security interest that secures an obligation.
(21) "Consignor" means a person that delivers goods to a consignee in a consignment.

(22) "Consumer debtor" means a debtor in a consumer transaction.

(23) "Consumer goods" means goods that are used or bought for use primarily for personal, family, or household purposes.

(24) "Consumer-goods transaction" means a consumer transaction in which:
(A) An individual incurs an obligation primarily for personal, family, or household purposes; and
(B) a security interest in consumer goods secures the obligation.

(25) "Consumer obligor" means an obligor who is an individual and who incurred the obligation as part of a transaction entered into primarily for personal, family, or household purposes.

(26) "Consumer transaction" means a transaction in which (i) an individual incurs an obligation primarily for personal, family, or household purposes, (ii) a security interest secures the obligation, and (iii) the collateral is held or acquired primarily for personal, family, or household purposes. The term includes consumer-goods transactions.

(27) "Continuation statement" means an amendment of a financing statement which:
(A) Identifies, by its file number, the initial financing statement to which it relates; and
(B) indicates that it is a continuation statement for, or that it is filed to continue the effectiveness of, the identified financing statement.

(28) "Debtor" means:
(A) A person having an interest, other than a security interest or other lien, in the collateral, whether or not the person is an obligor;
(B) a seller of accounts, chattel paper, payment intangibles, or promissory notes; or
(C) a consignee.

(29) "Deposit account" means a demand, time, savings, passbook, or similar account maintained with a bank. The term does not include investment property or accounts evidenced by an instrument.

(30) "Document" means a document of title or a receipt of the type described in subsection (b) of K.S.A. 84-7-201(b), and amendments thereto.

(31) "Electronic chattel paper" means chattel paper evidenced by a record or records consisting of information stored in an electronic medium.

(32) "Encumbrance" means a right, other than an ownership interest, in real property. The term includes mortgages and other liens on real property.

(33) "Equipment" means goods other than inventory, farm products, or consumer goods.
"Farm products" means goods, other than standing timber, with respect to which the debtor is engaged in a farming operation and which are: (A) Crops grown, growing, or to be grown, including:
(i) Crops produced on trees, vines, and bushes; and
(ii) aquatic goods produced in aquacultural operations;
(B) livestock, born or unborn, including aquatic goods produced in aquacultural operations;
(C) supplies used or produced in a farming operation; or
(D) products of crops or livestock in their unmanufactured states.
"Farming operation" means raising, cultivating, propagating, fattening, grazing, or any other farming, livestock, or aquacultural operation.
"File number" means the number assigned to an initial financing statement pursuant to subsection (a) of K.S.A. 2019 Supp. 84-9-519(a), and amendments thereto.
"Filing office" means an office designated in K.S.A. 2019 Supp. 84-9-501, and amendments thereto, as the place to file a financing statement.
"Filing-office rule" means a rule adopted pursuant to K.S.A. 2019 Supp. 84-9-526, and amendments thereto.
"Financing statement" means a record or records composed of an initial financing statement and any filed record relating to the initial financing statement.
"Fixture filing" means the filing of a financing statement covering goods that are or are to become fixtures and satisfying subsections (a) and (b) of K.S.A. 2019 Supp. 84-9-502(a) and (b), and amendments thereto. The term includes the filing of a financing statement covering goods of a transmitting utility which are or are to become fixtures.
"Fixtures" means goods that have become so related to particular real property that an interest in them arises under real property law.
"General intangible" means any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, or other minerals before extraction. The term includes payment intangibles and software.
"Goods" means all things that are movable when a security interest attaches. The term includes (A) fixtures, (B) standing timber that is to be cut and removed under a conveyance or contract for sale, (C) the unborn young of animals, (D) crops grown, growing, or to be grown, even if the crops are produced on trees, vines, or bushes, and (E) manufactured
homes. The term also includes a computer program embedded in goods and any supporting information provided in connection with a transaction relating to the program if (A) the program is associated with the goods in such a manner that it customarily is considered part of the goods, or (B) by becoming the owner of the goods, a person acquires a right to use the program in connection with the goods. The term does not include a computer program embedded in goods that consist solely of the medium in which the program is embedded. The term also does not include accounts, chattel paper, commercial tort claims, deposit accounts, documents, general intangibles, instruments, investment property, letter-of-credit rights, letters of credit, money, or oil, gas, or other minerals before extraction.

(45) "Governmental unit" means a subdivision, agency, department, county, parish, municipality, or other unit of the government of the United States, a state, or a foreign country. The term includes an organization having a separate corporate existence if the organization is eligible to issue debt on which interest is exempt from income taxation under the laws of the United States.

(46) "Health-care-insurance receivable" means an interest in or claim under a policy of insurance which is a right to payment of a monetary obligation for health-care goods or services provided.

(47) "Instrument" means a negotiable instrument, a writing that would otherwise qualify as a certificate of deposit as defined by K.S.A. 84-3-104(j), and amendments thereto, but for the fact that the writing contains a limitation on transfer, or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary indorsement or assignment. The term does not include (i) investment property, (ii) letters of credit, or (iii) writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(48) "Inventory" means goods, other than farm products, which:

(A) Are leased by a person as lessor;

(B) are held by a person for sale or lease or to be furnished under a contract of service;

(C) are furnished by a person under a contract of service; or

(D) consist of raw materials, work in process, or materials used or consumed in a business.

(49) "Investment property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account.

(50) "Jurisdiction of organization," with respect to a registered organization, means the jurisdiction under whose law the organization is
formed or organized.

(51) "Letter-of-credit right" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance. The term does not include the right of a beneficiary to demand payment or performance under a letter of credit.

(52) "Lien creditor" means:

(A) A creditor that has acquired a lien on the property involved by attachment, levy, or the like;

(B) an assignee for benefit of creditors from the time of assignment;

(C) a trustee in bankruptcy from the date of the filing of the petition;

or

(D) a receiver in equity from the time of appointment.

(53) "Manufactured home" means a structure, transportable in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. The term includes any structure that meets all of the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the United States secretary of housing and urban development and complies with the standards established under title 42 of the United States code.

(54) "Manufactured-home transaction" means a secured transaction:

(A) That creates a purchase-money security interest in a manufactured home, other than a manufactured home held as inventory; or

(B) in which a manufactured home, other than a manufactured home held as inventory, is the primary collateral.

(55) "Mortgage" means a consensual interest in real property, including fixtures, which secures payment or performance of an obligation.

(56) "New debtor" means a person that becomes bound as a debtor under K.S.A. 2019 Supp. 84-9-203(d), and amendments thereto, by a security agreement previously entered into by another person.

(57) "New value" means (A) money, (B) money's worth in property, services, or new credit, or (C) release by a transferee of an interest in property previously transferred to the transferee. The term does not include an obligation substituted for another obligation.

(58) "Noncash proceeds" means proceeds other than cash proceeds.

(59) "Obligor" means a person that, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral,
(A) owes payment or other performance of the obligation, (B) has
provided property other than the collateral to secure payment or other
performance of the obligation, or (C) is otherwise accountable in whole or
in part for payment or other performance of the obligation. The term does
not include issuers or nominated persons under a letter of credit.

(60) "Original debtor" except as used in K.S.A. 2019 Supp. 84-9-
310(c), and amendments thereto, means a person that, as debtor, entered
into a security agreement to which a new debtor has become bound under
K.S.A. 2019 Supp. 84-9-203(d), and amendments thereto.

(61) "Payment intangible" means a general intangible under which
the account debtor's principal obligation is a monetary obligation.

(62) "Person related to," with respect to an individual, means:
(A) The spouse of the individual;
(B) a brother, brother-in-law, sister or sister-in-law of the individual;
(C) an ancestor or lineal descendant of the individual or the
individual's spouse; or
(D) any other relative, by blood or marriage, of the individual or the
individual's spouse who shares the same home with the individual.

(63) "Person related to," with respect to an organization, means:
(A) A person directly or indirectly controlling, controlled by or under
common control with the organization;
(B) an officer or director of, or a person performing similar functions
with respect to, the organization;
(C) an officer or director of, or a person performing similar functions
with respect to, a person described in subparagraph (A);
(D) the spouse of an individual described in subparagraph (A), (B) or
(C); or
(E) an individual who is related by blood or marriage to an individual
described in subparagraph (A), (B), (C) or (D) and shares the same home
with the individual.

(64) "Proceeds" except as used in K.S.A. 2019 Supp. 84-9-609(b),
and amendments thereto, means the following property:
(A) Whatever is acquired upon the sale, lease, license, exchange or
other disposition of collateral;
(B) whatever is collected on, or distributed on account of, collateral;
(C) rights arising out of collateral;
(D) to the extent of the value of collateral, claims arising out of the
loss, nonconformity, or interference with the use of, defects or
infringement of rights in, or damage to, the collateral; or
(E) to the extent of the value of collateral and to the extent payable to
the debtor or the secured party, insurance payable by reason of the loss or
nonconformity of, defects or infringement of rights in, or damage to, the
collateral.
"Promissory note" means an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or funds.

"Proposal" means a record authenticated by a secured party which includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to K.S.A. 2019 Supp. 84-9-620, 84-9-621 and 84-9-622, and amendments thereto.

"Public organic record" means a record that is available to the public for inspection and is:

(A) A record consisting of the record initially filed with or issued by a state or the United States to form or organize an organization and any record filed with or issued by the state or the United States which amends or restates the initial record;

(B) an organic record of a business trust consisting of the record initially filed with a state and any record filed with the state which amends or restates the initial record, if a statute of the state governing business trusts requires that the record be filed with the state; or

(C) a record consisting of legislation enacted by the legislature of a state or the congress of the United States which forms or organizes an organization, any record amending the legislation and any record filed with or issued by the state or the United States which amends or restates the name of the organization.

"Pursuant to commitment," with respect to an advance made or other value given by a secured party, means pursuant to the secured party's obligation, whether or not a subsequent event of default or other event not within the secured party's control has relieved or may relieve the secured party from its obligation.

"Record," except as used in "for record," "of record," "record or legal title," and "record owner," means information that is inscribed on a tangible medium or which is stored in an electronic or other medium and is retrievable in perceivable form.

"Registered organization" means an organization formed or organized solely under the law of a single state or the United States by the filing of a public organic record with, the issuance of a public organic record by, or the enactment of legislation by, the state or the United States. The term includes a business trust that is formed or organized under the law of a single state if a law of the state governing business trusts requires that the business trust's organic record be filed with the state. The term also includes a series of a registered organization if the series is an organization formed or organized under the law of a single state and the statute of the state governing the series requires that the public organic
record of the series be filed with the state.

(71) "Secondary obligor" means an obligor to the extent that:
(A) The obligor's obligation is secondary; or
(B) the obligor has a right of recourse with respect to an obligation secured by collateral against the debtor, another obligor, or property of either.

(72) "Secured party" means:
(A) a person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding;
(B) a person that holds an agricultural lien;
(C) a consignor;
(D) a person to which accounts, chattel paper, payment intangibles, or promissory notes have been sold;
(E) a trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or
(F) a person that holds a security interest arising under K.S.A. 84-2-401, 84-2-505, 84-2-711(3), 84-2a-508(5), 84-4-210 and 84-5-118, and amendments thereto.

(73) "Security agreement" means an agreement that creates or provides for a security interest.

(74) "Send," in connection with a record or notification, means:
(A) To deposit in the mail, deliver for transmission, or transmit by any other usual means of communication, with postage or cost of transmission provided for, addressed to any address reasonable under the circumstances; or
(B) to cause the record or notification to be received within the time that it would have been received if properly sent under subparagraph (A).

(75) "Software" means a computer program and any supporting information provided in connection with a transaction relating to the program. The term does not include a computer program that is included in the definition of goods.

(76) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands or any territory or insular possession subject to the jurisdiction of the United States.


(78) "Supporting obligation" means a letter-of-credit right or secondary obligation that supports the payment or performance of an account, chattel paper, a document, a general intangible, an instrument, or
investment property.

(79) "Tangible chattel paper" means chattel paper evidenced by a record or records consisting of information that is inscribed on a tangible medium.

(80) "Termination statement" means an amendment of a financing statement which:

(A) identifies, by its file number, the initial financing statement to which it relates; and

(B) indicates either that it is a termination statement or that the identified financing statement is no longer effective.

(81) "Transmitting utility" means a person primarily engaged in the business of:

(A) operating a railroad, subway, street railway, or trolley bus;

(B) transmitting communications electrically, electromagnetically, or by light;

(C) transmitting goods by pipeline or sewer; or

(D) transmitting or producing and transmitting electricity, steam, gas, or water.

(b) Definitions in other articles. The following definitions in other articles apply to this article:

"Applicant" K.S.A. 84-5-102, and amendments thereto

"Beneficiary" K.S.A. 84-5-102, and amendments thereto

"Broker" K.S.A. 84-8-102, and amendments thereto

"Certificated security" K.S.A. 84-8-102, and amendments thereto

"Check" K.S.A. 84-3-104, and amendments thereto

"Clearing corporation" K.S.A. 84-8-102, and amendments thereto

"Contract for sale" K.S.A. 84-2-106, and amendments thereto

"Customer" K.S.A. 84-4-104, and amendments thereto

"Entitlement holder" K.S.A. 84-8-102, and amendments thereto

"Financial asset" K.S.A. 84-8-102, and amendments thereto

"Holder in due course" K.S.A. 84-3-302, and amendments thereto

"Issuer" (with respect to a letter
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"Issuer" (with respect to
a security)

"Issuer" (with respect to
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docs
"Securities intermediary" K.S.A. 84-8-102, and amendments thereto
"Security" K.S.A. 84-8-102, and amendments thereto
"Security certificate" K.S.A. 84-8-102, and amendments thereto
"Security entitlement" K.S.A. 84-8-102, and amendments thereto
"Uncertificated security" K.S.A. 84-8-102, and amendments thereto

(c) Article 1 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, definitions and principles. Article 1 of chapter 84 of the Kansas Statutes Annotated, and amendments thereto, contains general definitions and principles of construction and interpretation applicable throughout this article.


Sec. 27. On and after July 1, 2022, K.S.A. 2019 Supp. 17-7675, 17-7679, 17-7680, 17-76,136, 17-76,139, 17-76,146, 17-76,146, as amended by section 7 of this act, 17-76,143, 17-76,143a, 17-76,146, 17-76,146, as amended by section 11 of this act, 17-76,147, 17-7904, 17-7918, 17-7923, 17-7933, 84-1-201 and 84-9-102 are hereby repealed.

Sec. 28. This act shall take effect and be in force from and after its publication in the statute book.