

FIRST REGULAR SESSION

# SENATE BILL NO. 238

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR KOENIG.

0729S.01I

KRISTINA MARTIN, Secretary

## AN ACT

To repeal section 347.163, RSMo, and to enact in lieu thereof one new section relating to the activity of foreign limited liability companies in the state of Missouri, with existing penalty provisions.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 347.163, RSMo, is repealed and one new  
2 section enacted in lieu thereof, to be known as section 347.163,  
3 to read as follows:

347.163. 1. Every foreign limited liability company  
2 now transacting business in or which may hereafter transact  
3 business in this state which shall neglect or fail to comply  
4 with the provisions of section 347.153 shall be subject to a  
5 fine of not less than one thousand dollars. If the  
6 secretary is advised that a foreign limited liability  
7 company is transacting business within this state in  
8 contravention of sections 347.010 to 347.187, the secretary  
9 shall report the fact to the prosecuting attorney of any  
10 county in which the limited liability company is transacting  
11 business, and the prosecuting attorney shall, as soon  
12 thereafter as is practical, institute proceedings to recover  
13 the fine prescribed in this section. In addition to such  
14 penalty, no foreign limited liability company failing to  
15 comply with sections 347.010 to 347.187 may maintain any  
16 suit or action, either legal or equitable, in any of the  
17 courts of this state, upon any demand, whether arising out

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

18 of contract or tort, while the requirements of sections  
19 347.010 to 347.187 have not been met.

20 2. The failure of a foreign limited liability company  
21 to register in this state does not impair the validity of  
22 any contract or act of the foreign limited liability company  
23 or prevent the foreign limited liability company from  
24 defending any action, suit or proceeding in any court of  
25 this state.

26 3. A member of a foreign limited liability company is  
27 not liable for any debts, obligations or liabilities of the  
28 foreign limited liability company solely by reason of having  
29 transacted business in this state without registration.

30 4. A foreign limited liability company, by transacting  
31 business in this state without registration, shall be  
32 subject to the provisions of sections 506.500 to 506.520  
33 with respect to causes of actions arising out of the  
34 transaction of business in this state.

35 5. Without excluding other activities which may not  
36 constitute transacting business in this state, a foreign  
37 limited liability company shall not be considered to be  
38 transacting business in this state, for purposes of sections  
39 347.010 to 347.187, by reason of carrying on in this state  
40 any one or more of the following activities:

41 (1) Maintaining or defending any action or suit or any  
42 administrative or arbitration proceeding, or effecting the  
43 settlement thereof or the settlement of claims or disputes;

44 (2) Holding meetings of its members or carrying on  
45 other activities concerning its internal affairs;

46 (3) Maintaining bank accounts;

47 (4) Borrowing money or creating evidence of debt,  
48 mortgage or lien on or other security interest in real or  
49 personal property;

50 (5) Securing or collecting debts or enforcing any  
51 rights in properties securing the same;

52 (6) Transacting any business in interstate commerce;  
53 [or]

54 (7) Conducting an isolated transaction completed  
55 within a period of thirty days and not in the course of a  
56 number of repeated transactions of a like nature; or

57 **(8) Making a contribution, as that term is defined in**  
58 **section 130.011, to any political action committee, as that**  
59 **term is defined in Article VIII, Section 23 of the Missouri**  
60 **Constitution.**

61 6. A foreign corporation, as defined in section  
62 351.015 or section 355.066, shall not be deemed to be  
63 transacting business in this state for the purposes of  
64 section 351.572 solely for the reason that it is a member of  
65 a limited liability company.

66 7. A foreign limited partnership or foreign registered  
67 limited liability limited partnership, as defined in section  
68 359.011, shall not be deemed to be transacting business in  
69 this state for the purposes of section 359.551 solely for  
70 the reason that it is a member of a limited liability  
71 company.

72 8. A foreign limited liability company as defined in  
73 sections 347.010 to 347.187 shall not be deemed to be  
74 transacting business in this state for the purposes of this  
75 section, solely for the reason that it is a member of a  
76 limited liability company.

77 9. A foreign registered limited liability partnership,  
78 as defined in section 358.020, shall not be deemed to be  
79 transacting business in this state for the purposes of  
80 section 351.572 solely for the reason that it is a member of  
81 a limited liability company.

82           10. The provisions of this section do not apply in  
83 determining the context or activities which may subject a  
84 foreign limited liability company to service of process,  
85 suit, taxation or regulation under any other statute of this  
86 state.

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