88R3524 JES-D

By:  Bucy H.B. No. 3768

A BILL TO BE ENTITLED

AN ACT

relating to the formation of decentralized unincorporated associations and the use of distributed ledger or blockchain technology for certain business purposes; authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 1.002, Business Organizations Code, is amended by adding Subdivisions (15-a), (16-a), (78-b), and (82-b) and amending Subdivisions (78-a), (82-a), and (89) to read as follows:

(15-a)  "Digital asset" means an electronic record in which a person has a right or interest. The term does not include an underlying asset, unless the asset is itself an electronic record.

(16-a)  "Distributed ledger technology" means a distributed ledger protocol that:

(A)  is a designated regulatory model of software that governs the rules, operations, and communication between intersection and connection points in a telecommunications network and supporting infrastructure;

(B)  includes the computer software or hardware, or collections of computer software or hardware, that use or enable a distributed ledger, including blockchain; and

(C)  uses a distributed, shared, and replicated ledger, which may:

(i)  be public or private;

(ii)  be permissioned or permissionless; and

(iii)  include the use of a digital asset as a medium of electronic exchange.

(78-a)  "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in a perceivable form, including information inscribed on blockchain or distributed ledger technology.

(78-b)  "Registered series" means a series of a domestic limited liability company that is formed as a registered series in accordance with Section 101.602.

(82-a)  "Smart contract" means an event-driven computer program that executes on distributed ledger technology used to automate a transaction, including a transaction that:

(A)  takes custody over and instructs transfer of assets on that ledger;

(B)  creates and transmits digital assets;

(C)  synchronizes information; or

(D)  authenticates user rights and conveys access to software applications.

(82-b)  "Social purposes" means one or more purposes of a for-profit corporation that are specified in the corporation's certificate of formation and consist of promoting one or more positive impacts on society or the environment or of minimizing one or more adverse impacts of the corporation's activities on society or the environment. Those impacts may include:

(A)  providing low-income or underserved individuals or communities with beneficial products or services;

(B)  promoting economic opportunity for individuals or communities beyond the creation of jobs in the normal course of business;

(C)  preserving the environment;

(D)  improving human health;

(E)  promoting the arts, sciences, or advancement of knowledge;

(F)  increasing the flow of capital to entities with a social purpose; and

(G)  conferring any particular benefit on society or the environment.

(89)  "Writing" or "written" means an expression of words, letters, characters, numbers, symbols, figures, or other textual information that is inscribed on a tangible medium or that is stored in an electronic or other medium that is retrievable in a perceivable form. Unless the context requires otherwise, the term:

(A)  includes stored or transmitted electronic data, electronic transmissions, blockchain or distributed ledger technology, and reproductions of writings; and

(B)  does not include sound or video recordings of speech other than transcriptions that are otherwise writings.

SECTION 2.  Subchapter A, Chapter 1, Business Organizations Code, is amended by adding Section 1.010 to read as follows:

Sec. 1.010.  CERTAIN PROVISIONS RELATED TO BLOCKCHAIN AND DISTRIBUTED LEDGER TECHNOLOGY. For purposes of this code:

(1)  a requirement for a person's signature is satisfied by the submission of a blockchain that electronically contains the signature or verifies the intent of a person to provide the signature;

(2)  a requirement for a record to be in writing is satisfied by the submission of a blockchain that electronically contains the record; and

(3)  a smart contract, record, or signature may not be excluded as evidence in a proceeding solely because blockchain or distributed ledger technology was used to create, store, or verify the smart contract, record, or signature.

SECTION 3.  Section 6.002(a), Business Organizations Code, is amended to read as follows:

(a)  Subject to this code and the governing documents of a domestic entity, the owners, members, or governing persons of the entity, or a committee of the owners, members, or governing persons, may hold meetings by using a conference telephone or similar communications equipment, or another suitable electronic communications system, including videoconferencing technology, an electronic data system, [~~or~~] the Internet, or any combination, if the telephone or other equipment or system permits each person participating in the meeting to communicate with all other persons participating in the meeting.

SECTION 4.  Section 101.052, Business Organizations Code, is amended by adding Subsection (g) to read as follows:

(g)  A company agreement may be composed of computer code and maintained on blockchain or distributed ledger technology in full or in part if the record of the agreement is capable of being retained and accurately reproduced for later reference.

SECTION 5.  Section 101.501(a), Business Organizations Code, is amended to read as follows:

(a)  In addition to the books and records required to be kept under Section 3.151, a limited liability company shall keep at its principal office in the United States, keep on an electronic data system, or make available to a person at its principal office in the United States not later than the fifth day after the date the person submits a written request to examine the books and records of the company under Section 3.152(a) or 101.502:

(1)  a current list that states:

(A)  the percentage or other interest in the limited liability company owned by each member; and

(B)  if one or more classes or groups of membership interests are established in or under the certificate of formation or company agreement, the names of the members of each specified class or group;

(2)  a copy of the company's federal, state, and local tax information or income tax returns for each of the six preceding tax years;

(3)  a copy of the company's certificate of formation, including any amendments to or restatements of the certificate of formation;

(4)  if the company agreement is in writing, a copy of the company agreement, including any amendments to or restatements of the company agreement;

(5)  an executed copy of any powers of attorney;

(6)  a copy of any document that establishes a class or group of members of the company as provided by the company agreement; and

(7)  except as provided by Subsection (b), a written statement of:

(A)  the amount of a cash contribution and a description and statement of the agreed value of any other contribution made or agreed to be made by each member;

(B)  the dates any additional contributions are to be made by a member;

(C)  any event the occurrence of which requires a member to make additional contributions;

(D)  any event the occurrence of which requires the winding up of the company; and

(E)  the date each member became a member of the company.

SECTION 6.  Title 6, Business Organizations Code, is amended by adding Chapter 253 to read as follows:

CHAPTER 253. DECENTRALIZED UNINCORPORATED ASSOCIATIONS

Sec. 253.001.  DEFINITIONS. In this chapter:

(1)  "Administrator" means a person authorized by the members of a decentralized unincorporated association to fulfill administrative or operational tasks at the direction of the members.

(2)  "Decentralized unincorporated association" means an unincorporated association:

(A)  consisting of at least 500 members joined by mutual consent under an agreement, that may be in writing or inferred from conduct, for a common purpose, other than to operate a business for profit except as permitted under Section 253.004;

(B)  that has elected to be formed under this chapter; and

(C)  is not formed under any other law governing the association's organization and operation.

(3)  "Established practices" means the practices used by a decentralized unincorporated association without material change during the most recent five years of the association's existence, or if the association has existed for less than five years, during the association's entire existence.

(4)  "Governing principles" means all agreements and any amendment or restatement of those agreements, including any articles of organization, consensus formation algorithms, or enacted governance proposals, that govern the purpose or operation of a decentralized unincorporated association and the rights and obligations of the association's members and administrators, whether contained in a record, implied from the association's established practices, or both.

(5)  "Member" means a person that, under the governing principles of a decentralized unincorporated association, may participate in:

(A)  the development of the policies and activities of the association; and

(B)  the selection of the association's administrators.

Sec. 253.002.  SUPPLEMENTARY GENERAL PRINCIPLES OF LAW AND EQUITY. (a) Principles of law and equity supplement this chapter unless displaced by a particular provision of this chapter.

(b)  This chapter may not be interpreted to repeal or modify a statute or rule for an entity that does not elect to be formed as a decentralized unincorporated association.

Sec. 253.003.  GOVERNING LAW; TERRITORIAL APPLICATION. (a) Except as otherwise provided by Subsection (b), the law of this state governs any decentralized unincorporated association that is formed or operates in this state.

(b)  A decentralized unincorporated association's governing principles must identify the jurisdiction in which the decentralized unincorporated association is formed.

Sec. 253.004.  DISTRIBUTION PROHIBITED; COMPENSATION AND OTHER PERMITTED PAYMENTS. (a) A decentralized unincorporated association may carry on any business activity in which the association may lawfully engage for profit and apply any profit that results from the business activity in accordance with Subsection (c).

(b)  Except as provided by Subsection (c), a decentralized unincorporated association may not pay dividends or distribute any part of the association's income or profit to the association's members or administrators.

(c)  A decentralized unincorporated association may:

(1)  pay reasonable compensation to or reimburse reasonable expenses incurred by the association's members and administrators, or to a person who is not a member or administrator, for services rendered to the association, including for the administration and operation of the association, including for:

(A)  the provision of collateral for the self-insurance of the association;

(B)  voting; and

(C)  participation;

(2)  confer benefits on the association's members or administrators in conformity with the association's common nonprofit purpose or purposes, if any;

(3)  repurchase membership interests to the extent authorized by the association's governing principles; and

(4)  make distributions of property to members on winding up and termination to the extent provided by Section 253.027.

Sec. 253.005.  LEGAL ENTITY; PERPETUAL EXISTENCE; POWERS. (a) A decentralized unincorporated association is a legal entity distinct from the association's members and administrators.

(b)  A decentralized unincorporated association has perpetual duration unless the association's governing principles otherwise specify.

(c)  A decentralized unincorporated association has the power to do all things necessary or convenient to carry on the association's activities or affairs.

Sec. 253.006.  REAL AND PERSONAL PROPERTY; DECENTRALIZED UNINCORPORATED ASSOCIATION AS BENEFICIARY, LEGATEE, OR DEVISEE. (a) A decentralized unincorporated association may, in the name of the association, acquire, hold, encumber, or transfer an estate or interest in real or personal property.

(b)  A decentralized unincorporated association may be a beneficiary of a trust or contract, legatee, or devisee.

Sec. 253.007.  STATEMENT OF AUTHORITY AS TO REAL PROPERTY. (a) A decentralized unincorporated association shall execute and record a statement of authority to transfer an estate or interest in real property in the name of the association.

(b)  An estate or interest in real property in the name of a decentralized unincorporated association may be transferred by a person so authorized in a statement of authority recorded in the office of the county clerk in which a transfer of the property would be recorded.

(c)  A statement of authority must contain:

(1)  the name of the decentralized unincorporated association;

(2)  the address in this state, including the street address, if any, of the association, or if the association does not have an address in this state, the association's address out of state;

(3)  the name or title of the person authorized to transfer an estate or interest in real property held in the name of the association; and

(4)  the action, procedure, or vote of the association that authorizes the person to transfer the real property of the association and to execute the statement of authority.

(d)  A statement of authority must be executed in the same manner as a deed. The person who executes the statement of authority may not be the person named in the statement of authority as authorized to transfer the estate or interest.

(e)  The county clerk may collect a fee for recording the statement of authority in the amount authorized for recording a transfer of real property.

(f)  An amendment, including a cancellation, of a statement of authority must meet the requirements for execution and recording of an original statement. Unless canceled earlier, a recorded statement of authority or the most recent amendment to the statement is canceled by operation of law on the fifth anniversary of the date of the most recent recording.

(g)  If the record title to real property is in the name of a decentralized unincorporated association and the statement of authority is recorded in the office of the county clerk in which a transfer of real property would be recorded, the authority of the person named in a statement of authority is conclusive in favor of a transferee who gives value without notice that the person named in the statement of authority lacks authority.

Sec. 253.008.  LIABILITY. (a) Except as otherwise provided by this chapter, the debts, obligations, and liabilities of a decentralized unincorporated association, whether arising in contract, tort, or otherwise, are solely the debts, obligations, and liabilities of the association. A member or administrator of a decentralized unincorporated association may not be obligated personally for any debt, obligation, or liability of the association solely by reason of being a member or acting as an administrator of the association.

(b)  Notwithstanding Subsection (a), a member or administrator of a decentralized unincorporated association may, under the governing principles of the association or under another agreement, agree to be obligated personally for any or all of the debts, obligations, and liabilities of the association.

(c)  The failure of a decentralized unincorporated association to observe formalities relating to the exercise of the association's powers or administration of the association's activities and affairs may not be considered a ground for imposing liability on a member or administrator of the association for a debt, obligation, or other liability of the association.

Sec. 253.009.  CAPACITY TO ASSERT AND DEFEND; STANDING. (a) A decentralized unincorporated association, in the association's name, may institute, defend, intervene, or participate in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution.

(b)  A member or administrator may assert a claim the member or administrator has against the decentralized unincorporated association. An association may assert a claim the association has against a member or administrator.

Sec. 253.010.  EFFECT OF JUDGMENT OR ORDER. A judgment or order against a decentralized unincorporated association is not by itself a judgment or order against a member or administrator of the association.

Sec. 253.011.  APPOINTMENT OF AGENT TO RECEIVE SERVICE OF PROCESS. (a) A decentralized unincorporated association may file in the office of the secretary of state a statement appointing an agent authorized to receive service of process.

(b)  A statement appointing an agent must contain:

(1)  the name of the decentralized unincorporated association;

(2)  the address in this state, including the street address, if any, of the decentralized unincorporated association, or if the association does not have an address in this state, the association's address out of state; and

(3)  the name of the person in this state authorized to receive service of process and the person's address, including the street address, in this state.

(c)  A statement appointing an agent must be signed and acknowledged by a person authorized to manage the affairs of the decentralized unincorporated association. The statement must also be signed and acknowledged by the person appointed agent, who by signing accepts the appointment. The appointed agent may resign by filing a resignation in the office of the secretary of state and giving notice to the decentralized unincorporated association.

(d)  The secretary of state may collect a fee of $5 for filing a statement appointing an agent to receive service of process, an amendment, or a resignation under this section.

(e)  An amendment to a statement appointing an agent to receive service of process must meet the requirements for execution of an original statement.

(f)  If the secretary of state refuses to file a statement appointing an agent, the secretary of state shall return it to the decentralized unincorporated association or the association's representative not later than the 15th day after the date the statement was delivered and include a brief explanation in writing of the reason for the refusal.

Sec. 253.012.  SERVICE OF PROCESS. In an action or proceeding against a decentralized unincorporated association, a summons and complaint or other process shall be served on:

(1)  an agent authorized by appointment to receive service of process;

(2)  an appointed administrator of the association; or

(3)  a member, but only if the agent or administrator described by Subdivisions (1) and (2) cannot be served.

Sec. 253.013.  CLAIM NOT ABATED BY CHANGE OF MEMBERS OR ADMINISTRATORS. A claim for relief against a decentralized unincorporated association does not abate merely because of a change in the members or administrators of the association.

Sec. 253.014.  VENUE. Unless provided otherwise by other law, venue of an action against a decentralized unincorporated association brought in this state is determined in accordance with the law applicable to an action brought in the state in which the association has appointed an agent for service of process under Section 253.011.

Sec. 253.015.  MEMBER NOT AN AGENT. A member of a decentralized unincorporated association is not an agent of the association solely by reason of being a member.

Sec. 253.016.  APPROVAL BY MEMBERS. (a) Except as otherwise provided by a decentralized unincorporated association's governing principles, the association must have the approval of the association's members, attained in accordance with its governing principles, to:

(1)  suspend, dismiss, or expel a member;

(2)  select or dismiss an administrator;

(3)  adopt, amend, or repeal the governing principles;

(4)  sell, lease, exchange, or otherwise dispose of all, or substantially all, of the association's property outside the ordinary course of the association's activities, regardless of the association's goodwill;

(5)  dissolve the association under Section 253.026;

(6)  merge or convert the association as provided by Section 253.028;

(7)  undertake any act outside the ordinary course of the association's activities; or

(8)  determine the policy or purpose of the association.

(b)  A decentralized unincorporated association must have the approval of the members in accordance with its governing principles to act or exercise a right for which the association's governing principles require member approval.

(c)  Unless otherwise provided for in a decentralized unincorporated association's governing principles, membership interest in a decentralized unincorporated association is calculated in proportion to the person's membership interest or other property that confers onto the person a voting right in the association.

Sec. 253.017.  USE OF DISTRIBUTED LEDGER TECHNOLOGY. (a) A decentralized unincorporated association may provide for the association's governance, in whole or in part, through distributed ledger technology, including through a smart contract.

(b)  The governing principles for a decentralized unincorporated association may:

(1)  specify whether any distributed ledger technology used or enabled by the association is:

(A)  immutable or subject to change by the association; and

(B)  fully or partially public or private, including the extent of members' access to information; and

(2)  adopt voting procedures, which may include a smart contract deployed to distributed ledger technology, that provides for:

(A)  proposals from administrators or members in the decentralized unincorporated association for upgrades, modifications, or additions to software systems or protocols;

(B)  proposed changes to the decentralized unincorporated association's governing principles; and

(C)  any other matter of governance or relating to the activities of the association that is within the purpose of the association.

Sec. 253.018.  CONSENSUS FORMATION ALGORITHMS AND GOVERNANCE PROCESS. In accordance with the association's governing principles, a decentralized unincorporated association may:

(1)  adopt a reasonable algorithmic means for establishing consensus for:

(A)  the validation of records;

(B)  the establishment of requirements, processes, and procedures for conducting operations; and

(C)  making organizational decisions with respect to the distributed ledger technology used by the association; and

(2)  in accordance with a procedure adopted by the association under Section 253.017, if any, and in compliance with the requirements of law and the governing principles of the decentralized unincorporated association:

(A)  modify the consensus mechanism, including the requirements, processes, and procedures for that mechanism; or

(B)  substitute a new consensus mechanism, including the requirements, processes, or procedures for that mechanism.

Sec. 253.019.  DUTIES OF MEMBERS. (a) A member of a decentralized unincorporated association does not owe a fiduciary duty to the association or to any another member of the association solely by virtue of the person's membership in the association.

(b)  A member of a decentralized unincorporated association shall discharge the duties and obligations under this chapter or under the governing principles of the association and exercise the member's rights in a manner consistent with the contractual obligation of good faith and fair dealing.

Sec. 253.020.  ADMISSION, SUSPENSION, DISMISSAL, OR EXPULSION OF MEMBERS. (a) A person becomes a member of a decentralized unincorporated association in accordance with the governing principles of the association. If there are no applicable governing principles, a person:

(1)  is considered a member on the purchase or assumption of a right of ownership of a membership interest or other property or instrument that confers on the person a voting right in the association; and

(2)  continues as a member of the association until the earlier of the member's:

(A)  resignation under Section 253.021; or

(B)  suspension, dismissal, or expulsion under Subsection (b).

(b)  A member may be suspended, dismissed, or expelled in accordance with the governing principles of the decentralized unincorporated association. If there are no applicable governing principles, the member may be suspended, dismissed, or expelled from an association only by a majority vote of the association's members.

(c)  Unless the governing principles of a decentralized unincorporated association provide otherwise, the suspension, dismissal, or expulsion of a member does not relieve the member from any obligation incurred or commitment made by the member in connection with membership in the association before the member's suspension, dismissal, or expulsion.

Sec. 253.021.  RESIGNATION OF MEMBER. (a) A member may resign as a member of a decentralized unincorporated association in accordance with the governing principles of the association. In the absence of applicable governing principles, a member is considered to have resigned on the voluntary or involuntary disposal of all membership interest or other property or instruments that confer on the person a voting right in the association.

(b)  Unless a decentralized unincorporated association's governing principles provide otherwise, resignation of a member does not relieve the member from any unpaid capital contribution, dues, an assessment, a fee, or another obligation incurred or commitment made by the member in connection with membership in the association before the member's resignation.

Sec. 253.022.  MEMBERSHIP INTEREST TRANSFERABLE. Except as otherwise provided in the decentralized unincorporated association's governing principles, a member's interest or a right conferred in the association is freely transferable to another person through conveyance of the membership interest or other property that confers on a person a voting right in the association.

Sec. 253.023.  SELECTION OF ADMINISTRATORS; RIGHTS AND DUTIES OF ADMINISTRATORS. (a) Except as otherwise provided by this chapter or a decentralized unincorporated association's governing principles, the members of an association may select the association's administrators in accordance with Section 253.016.

(b)  An administrator may but is not required to be a member of the association. If no administrators are selected, no member of the association is an administrator.

(c)  A decentralized unincorporated association is not required to have an administrator. There are no default obligations of an administrator of a decentralized unincorporated association. The rights and duties of an administrator of a decentralized unincorporated association must be established as part of the selection process for an administrator or administrators of the association.

(d)  An administrator of a decentralized unincorporated association does not have the authority to act on behalf of the association beyond the specific authority granted in the selection process of the administrator established under Subsection (c).

(e)  The governing principles of a decentralized unincorporated association may, in a record, limit or eliminate the liability of an administrator to the association or the association's members for money damages for an action taken, or for failure to take an action, as an administrator, except liability for:

(1)  the amount of a financial benefit improperly received by an administrator;

(2)  an intentional infliction of harm on the association or the association's members;

(3)  an intentional violation of criminal law;

(4)  a breach of the duty of loyalty should one exist, unless a full disclosure of all material facts, a specific act, or a transaction that would otherwise violate the duty of loyalty by an agent is authorized or ratified by approval of the disinterested members in accordance with Section 253.016; or

(5)  an improper distribution.

Sec. 253.024.  RIGHTS OF MEMBERS AND ADMINISTRATORS TO INFORMATION. (a) Except as provided by Subsection (b), on reasonable notice, a member or administrator of a decentralized unincorporated association is entitled to an electronic record of any record maintained by the association regarding the association's activities, financial condition, or other circumstances to the extent the information contained in the record is material to the member's or administrator's rights and duties under the association's governing principles or this chapter.

(b)  A decentralized unincorporated association is not obligated to provide a record maintained by the association for record requests made through distributed ledger technology, including through a smart contract, to a member or administrator if the member or administrator has access to the information contained in the record in a record made available to the member or administrator on distributed ledger technology.

(c)  A decentralized unincorporated association may impose reasonable restrictions on access to and use of information that may be provided under this section, including by designating the information confidential and imposing nondisclosure or other safeguarding obligations on the recipient of the information.

(d)  A former member or administrator may have access to information to which the member or administrator was entitled as a member or administrator if:

(1)  the information relates to the period of time during which the person was a member or administrator;

(2)  the former member or administrator seeks the information in good faith; and

(3)  the former member or administrator satisfies the requirements of Subsections (a), (b), and (c) with respect to the information.

(e)  A decentralized unincorporated association has no obligation to collect and maintain a list of members or member information, including the names or addresses of members.

Sec. 253.025.  INDEMNIFICATION; ADVANCEMENT OF EXPENSES. A decentralized unincorporated association is an enterprise, as that term is defined by Section 8.001, for purposes of the requirements related to indemnification and advancement of expenses under Chapter 8.

Sec. 253.026.  DISSOLUTION; CONTINUATION OF EXISTENCE. (a) A decentralized unincorporated association may be dissolved by any of the following methods:

(1)  at a time or by a method for dissolution specified by the governing principles of the association, if any;

(2)  if the governing principles of the association do not provide a method for dissolution, with the approval of the members of the association in accordance with Section 253.016;

(3)  if the number of members of the association is fewer than 500 and the association is not able to use a merger or conversion to form another valid entity under Chapter 10; or

(4)  by court order to dissolve.

(b)  After dissolution, a decentralized unincorporated association continues in existence until the association's activities are wound up and the association is terminated under Section 253.027.

Sec. 253.027.  WINDING UP AND TERMINATION. (a) A dissolved decentralized unincorporated association shall wind up the association's business. The association continues in existence after dissolution only for the purpose of winding up under this section.

(b)  In winding up a decentralized unincorporated association, the members:

(1)  shall discharge the association's debts, obligations, and other liabilities, settle and close the association's business, and marshal and distribute any remaining property:

(A)  in a manner required by law, other than this chapter, that requires assets of an association to be distributed to another entity or person with similar nonprofit purposes, if applicable to the association;

(B)  in accordance with the association's governing principles, and in the absence of applicable governing principles, to the current members of the association in proportion to their membership interests; or

(C)  if property cannot be distributed under Paragraph (A) or (B), under the laws governing unclaimed property for this state; and

(2)  may:

(A)  appoint and authorize an administrator to wind up the association in accordance with Section 253.017;

(B)  preserve the association operations and property as a going concern for a reasonable time;

(C)  prosecute and defend civil, criminal, or administrative actions and proceedings involving the association;

(D)  transfer the association's property;

(E)  settle disputes involving the association by mediation or arbitration;

(F)  receive reasonable compensation for services rendered to the association in winding up the association; and

(G)  perform other acts necessary or appropriate to effect the winding up.

(c)  If the members of a decentralized unincorporated association do not appoint an administrator to wind up the association's business, the members shall owe the association a duty of care in the conduct or winding up of the association operations to refrain from engaging in:

(1)  grossly negligent or reckless conduct;

(2)  wilful or intentional misconduct; or

(3)  a knowing violation of the law.

Sec. 253.028.  MERGERS AND CONVERSIONS. A decentralized unincorporated association may effect a merger or conversion by complying with the applicable provisions of Chapter 10 and the association's governing principles.

Sec. 253.029.  UNIFORMITY OF APPLICATION AND CONSTRUCTION. This chapter shall be applied and construed to make uniform the law with respect to the subject of this chapter among states enacting it.

SECTION 7.  This Act takes effect September 1, 2023.