

**ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023**  
**COMMITTEE STATEMENT**  
**LB628**

---

**Hearing Date:** Tuesday January 31, 2023  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** Jacobson  
**One Liner:** Change provisions relating to professional service by limited liability companies and professional corporations

---

**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

---

**Vote Results:**  
**Aye:** 8 Senators Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern  
**Nay:**  
**Absent:**  
**Present Not Voting:**

---

**Testimony:**

**Proponents:**  
Senator Mike Jacobson  
Colleen Byelick  
Joe Huigens

**Representing:**  
Nebraska Legislature  
Nebraska Secretary of State  
Nebraska State Bar Association

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

\* ADA Accomodation Written Testimony

---

**Summary of purpose and/or changes:**

LB 628 would amend sections in the Revised Uniform Limited Liability Act (RULLCA) and the Nebraska Professional Corporation Act. The specific sections being amended relate to filing requirements related to professional services organized under those acts. The bill would provide, section by section, as follows:

Section 1 amends section 21-102 of RULLCA by making two definition changes. First, a certificate of registration under RULLCA would also include the verification that all members, managers, professional employees, and agents who are required by law to do so are duly licensed or otherwise legally authorized to render the professional service for which the limited liability company is organized to do business or ancillary service as those which the limited liability company renders, through the electronic accessing of the regulatory body's licensing records or through compacts or other certifying organizations recognized by the regulatory body by the Secretary of State. Second, the definition of professional service under RULLCA is clarified by providing an exhaustive list of the professions included in the definition.

Section 2 amends section 21-185 of RULLCA by removing the residential address filing requirement leaving only a requirement that an address be provided. It also expands the scope to which the section applies to also include any ancillary service as those which the professional service LLC renders. The section also includes a grandfather clause for those professional service LLC's that already have a certificate of registration.

Section 3 amends section 21-186 of RULLCA by expanding the scope to which the section applies to also include any ancillary service as those which the professional service LLC renders. It also adds clarification on the accessibility of licensing records of regulating boards and provides a requirement to make such records automated, electronically accessible, and verifiable by the Secretary of State.

Section 4 amends section 21-188 of RULLCA by expanding the scope to which the section applies to also include any ancillary service as those which the professional service LLC renders.

Section 5 amends section 21-2202 of the NPCA by changing the definition of certificate of registration to also include a verification that all directors, officers, shareholders, and professional employees listed on the application filed with the Secretary of State, except for the secretary and assistant secretary, are duly licensed or otherwise legally authorized to render the professional service or an ancillary service for which the professional corporation is organized, through the electronic accessing of the regulating board's licensing records or through compacts or other certifying organizations recognized by the regulatory body by the Secretary of State.

Section 6 amends section 21-2216 of the NPCA by removing the residential address filing requirement leaving only a requirement that an address be provided. It also expands the scope to which the section applies to also include any ancillary service as those which the professional corporation renders. It also adds clarification on the accessibility of licensing records of regulating boards and provides a requirement to make such records automated, electronically accessible, and verifiable by the Secretary of State.

Section 7 repeals the original section being amended.

---

**Explanation of amendments:**

AM 175 would amend LB 628 as follows:

Anywhere "all members" is found in the bill is amended to read "all of those members". This change is being provided for clarification.

In Section 3, subsection 2, where "limited liability company" was stricken and replaced with "applicant," the original language will be reinstated.

In Section 5, subsection 3, where it states that "Professional service means any personal services rendered" will be amended to instead read "Professional service means any personal service rendered". This change is being provided for clarification.

---

Julie Slama, Chairperson