

HOUSE RESEARCH

Bill Summary

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Version: As introduced

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Subject: Uniform Fraudulent Transfer Act

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Overview

This bill provides updates and makes a variety of technical changes, including changing the name of the Uniform Fraudulent Transfer Act to the Uniform Voidable Transactions Act.

Section

- 1 **Technical changes; updates.** Makes technical changes and updates to definitions section. Provides that “sign” includes an electronic symbol, sound, or process.
- 2 **Technical changes; updates.** Removes the specific definition of insolvency for partnerships, makes other technical changes.
- 3 **Technical changes.** Revises cross-references, and includes an agricultural lien as an identified interest.
- 4 **Technical changes; level of review.** Clarifies that a present or future creditor must prove by a preponderance of the evidence that the debtor has made a voidable transfer of assets. Replaces the term “fraudulent” with “voidable” to describe the transfer. Revises cross-references.
- 5 **Technical changes; level of review.** Clarifies that a present creditor must prove by a preponderance of the evidence that the debtor has made a voidable transfer of assets. Replaces the term “fraudulent” with “voidable” to describe the transfer.
- 6 **Technical changes.** Makes technical changes and updates.
- 7 **Technical changes.** Makes technical changes and updates, and corrects cross-references.

Section

- 8** **Technical changes; level of review.** Clarifies whether the transferee, obligee, or creditor bears the burden of proving a transfer is, or is not, voidable. Clarifies that proof of a matter is proven by a preponderance of the evidence. Makes technical changes and updates, corrects cross-references.
- 9** **Governing law.** Provides that jurisdiction is determined based on where the debtor is located. A person is located at their principal residence, an organization at their sole business location, or if there is more than one business location, then at its chief executive office.
- 10** **Series organizations.** Defines a “Series organization” as an organization that has entities within itself that operate separately. Provides that each series organization, and the entities within it, are separate people for purposes of the act.
- 11** **Relation to electronic signatures in global and national commerce act.** Provides that this law modifies, limits, or supersedes the Electronic Signatures in Global and National Commerce Act, but does not affect the provisions of that federal law related to consumer disclosures through electronic means or the provisions that exempt certain transactions from the act including court related matters.
- 12** **Title.** Changes the name of the act from the Uniform Fraudulent Transfer Act to the Uniform Voidable Transactions Act.
- 13** **Effective date.** Provides that all sections apply to transfers made, or obligations incurred, on or after August 1, 2015. A transfer is made or an obligation incurred as provided by Minnesota Statutes, section 513.46.