

## RÉSUMÉ DIGEST

**ACT 156 (HB 515)**

**2022 Regular Session**

**Mike Johnson**

Existing law provides that if a member of a limited liability company (LLC) dies or is judged to be incompetent by a court of competent jurisdiction, then the membership of that person ceases and his representative is to be treated as an assignee of the member's interest in the LLC.

New law adds an exception to existing law as it relates to a single-member LLC as provided for in existing law.

New law provides that if all members of an LLC die, the succession representative of any deceased member may petition the court for dissolution, windup, and liquidation of the LLC.

New law provides that upon the death of a member of a single-member LLC, the interest of the member is fully inheritable.

Unless otherwise provided in rule or contract, upon the death of the member in a single-member LLC, new law allows the properly appointed succession representative of the deceased member to exercise all of the decedent's rights, including financial and management rights related to the LLC.

New law also allows for the full rights of membership in the LLC to transfer to the appointed succession representative as recognized by a judgment of possession.

New law defines "single-member limited liability company".

New law is subject to and shall not supersede any rules, regulations, or laws governing or restricting the ownership or practice of any regulated industry or profession.

Effective August 1, 2022.

(Amends R.S. 12:1333(A); Adds R.S. 12:1333(E) and 1333.1)