

---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Margaret M. Corley.

---

DIGEST

SB 315 Original

2020 Regular Session

Robert Mills

Present law provides the liability of members, managers, employees, or agents, as such, of a limited liability company organized and existing under present law shall at all times be determined solely and exclusively by present law.

Present law provides for exceptions.

Proposed law provides that for purposes of present law, the term "professional" shall not include any person solely because such person is licensed by the state, a parish, a municipality, or any agency, board, commission, or other governing authority.

Proposed law provides that no action for damages shall be brought against any business organization for the purpose of making that business organization responsible for the obligations or liabilities of another business organization.

Proposed law provides for the following exemptions:

- (1) Obligations or liabilities expressly authorized in present law.
- (2) When a business organization agrees by conventional obligation to be responsible for the obligation or liability of another business organization.
- (3) When existing law would justify disregarding the separate juridical personality of a business organization as between the business organization and a natural person.
- (4) When a business organization uses another business organization as its instrumentality for the purpose of perpetrating, and did perpetrate, an actual fraud on a third party primarily for the direct benefit of that business organization.

Effective August 1, 2020.

(Amends R.S. 12:1320(D); adds R.S. 12:1705)