
DIGEST

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HB 515 Engrossed

2022 Regular Session

Mike Johnson

Abstract: Allows a succession representative to exercise certain rights held by a deceased member of a limited liability company (LLC).

Proposed 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.

Present law provides that if a member of an 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.

Proposed law adds an exception to present law as it relates to a single-member LLC.

Proposed 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, proposed law allows the member's properly appointed succession representative to exercise all of the deceased member's rights, including financial and management rights related to the LLC. The full rights of membership transfer to the appointed succession representative upon a judgment of possession.

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

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.