

2022 Regular Session

HOUSE BILL NO. 515

BY REPRESENTATIVE MIKE JOHNSON

1 AN ACT

2 To amend and reenact R.S. 12:1333(A) and to enact R.S. 12:1333(E) and 1333.1, relative
3 to succession proceedings involving limited liability companies; to provide for death
4 of board members; to allow for inheritance of interest in a single-person limited
5 liability company; to allow the succession representative to exercise the rights of the
6 deceased member; to provide for membership of the heir or legatee; to provide
7 definitions; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 12:1333(A) is hereby amended and reenacted and R.S. 12:1333(E)
10 and 1333.1 are hereby enacted to read as follows:

11 §1333. Powers of estate of a deceased or incompetent member

12 A. Except as otherwise provided in the articles of organization ~~or~~, a written
13 operating agreement, or as provided in R.S. 12:1333.1, if a member who is an
14 individual dies or a court of competent jurisdiction adjudges him to be incompetent
15 to manage his person or his property, the member's membership ceases and the
16 member's executor, administrator, guardian, conservator, or other legal
17 representative shall be treated as an assignee of such member's interest in the limited
18 liability company.

19 * * *

1 E. If all members die, the succession representative of any of the deceased
2 members may petition the court for dissolution, windup, and liquidation of the
3 limited liability company pursuant to R.S. 12:1334 et seq.

4 §1333.1. Single-member limited liability company; powers of the estate succession
5 representative

6 A. Notwithstanding any provision of law to the contrary, the death of the
7 member of a single-member limited liability company shall not result in the
8 termination of the interest of the deceased single member in that limited liability
9 company or in the termination of that limited liability company, but instead the
10 interest of the member in the single-member limited liability company shall be fully
11 heritable.

12 B. Unless otherwise provided in the articles of organization or a written
13 operating agreement, and notwithstanding the provisions of R.S. 12:1333, upon the
14 death of the member of a single-member limited liability company, the deceased
15 member's properly appointed succession representative, on behalf of the deceased
16 member's estate, may exercise all of the deceased member's rights for the purpose
17 of settling or administering the member's estate, including all financial and
18 management rights related to the single-member limited liability company held by
19 the deceased member at the time of his death.

20 C. Unless otherwise provided in the articles of organization or a written
21 operating agreement, once the deceased member's interest in a single-member
22 limited liability company is transferred to any heir or legatee, as recognized by a
23 judgment of possession, the heir or legatee shall have full rights of membership in
24 the limited liability company, including all financial and management rights.

25 D. For purposes of this Section, a "single-member limited liability company"
26 means a limited liability company that had no assignees and only one member at the
27 time of the member's death.

1 E. The provisions of this Section shall be subject to and shall not supersede
2 any rules, regulations, or laws governing or restricting the ownership or practice of
3 any regulated industry or profession.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____