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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS -- RHODE  
ISLAND LIMITED LIABILITY COMPANY ACT

Introduced By: Senator Roger Picard

Date Introduced: January 24, 2019

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 7-16 of the General Laws entitled "The Rhode Island Limited  
2 Liability Company Act" is hereby amended by adding thereto the following section:

3 **7-16-77. Continuation of certain limited liability company powers. – (a) Any limited**  
4 **liability company dissolved in any manner pursuant to this chapter, or whose certificate of**  
5 **organization or certificate of registration is revoked pursuant to this chapter, or whose authority to**  
6 **transact business is revoked pursuant to this chapter, shall continue to exist for five (5) years after**  
7 **the date of the dissolution or revocation for the purpose of enabling it to settle and close its**  
8 **affairs, to dispose of and convey its property, to discharge its liabilities, and to distribute its**  
9 **assets, but not for the purpose of continuing the business for which it was organized. The**  
10 **members have power to take any action that is appropriate to carry out the purposes of this**  
11 **section.**

12 **(b) Upon the death of the sole member of a limited liability company, unless otherwise**  
13 **authorized in the articles of organization or the operating agreement, all affairs, disposition, and**  
14 **distribution of assets and property, contracts, discharge of liabilities, shall be in accordance with**  
15 **§33-1-1 et seq.**

16 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS -- RHODE  
ISLAND LIMITED LIABILITY COMPANY ACT

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1           This act would create a five (5) year period after the date of dissolution, termination, or  
2 revocation of limited liability companies or corporations to settle and close its affairs but not to  
3 continue its business. Upon the death of a sole member of a limited liability company, its affairs  
4 shall be governed by probate practice.

5           This act would take effect upon passage.

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