

2016 -- S 2653

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

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

Introduced By: Senator John A. Pagliarini

Date Introduced: February 25, 2016

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 under this chapter or any limited liability company**
5 **whose existence is terminated or any corporation whose articles of organization are revoked by**
6 **the secretary of state under §7-16-41 nevertheless continues for five (5) years after the date of the**
7 **dissolution, termination, or revocation for the purpose of enabling it to settle and close its affairs,**
8 **to dispose of and convey its property, to discharge its liabilities, and to distribute its assets, but**
9 **not for the purpose of continuing the business for which it was organized. The members have**
10 **power to take any action that is appropriate to carry out the purposes of this section.**

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

15 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

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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