

2016 Regular Session

SENATE BILL NO. 220

BY SENATOR PEACOCK

WILLS/TESTAMENTS. Provides for powers of the estate of a deceased or incompetent member. (8/1/16)

AN ACT

To amend and reenact R.S. 12:1333(A) and (D), relative to powers of estate of a deceased or incompetent member; to provide certain terms, conditions, procedures, requirements, and effects; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 12:1333(A) and (D) are hereby amended and reenacted to read as follows:

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

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

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D. ~~If~~ **Except as otherwise provided in the articles of organization or a written operating agreement, if** a member is a corporation, trust, or other entity and

1 is dissolved or terminated, the member's membership ceases and the member's legal
2 representative or successor shall be treated as an assignee of such member's interest
3 in the limited liability company.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Ben Huxen.

DIGEST

SB 220 Engrossed

2016 Regular Session

Peacock

Present law generally provides that a member who is an individual dies or a court of competent jurisdiction adjudges him to be incompetent to manage his person or his property, the member's membership ceases and the member's executor, administrator, guardian, conservator, or other legal representative shall be treated as an assignee of such member's interest in the limited liability company. Present law further generally provides that if a member is a corporation, trust, or other entity and is dissolved or terminated, the member's membership ceases and the member's legal representative or successor shall be treated as an assignee of such member's interest in the limited liability company.

Proposed law allows an exception to the general rule if provided for in the articles of organization or a written operating agreement.

Effective August 1, 2016.

(Amends R.S. 12:1333(A) and (D))