

5148

Sponsor(s): Senators Nelson, A. Smith and Newhouse

Brief Description: Making multiple revisions concerning limited partnerships.

**SB 5148 - DIGEST**

(DIGEST AS ENACTED)

Revises statutory provisions governing limited partnerships.

VETO MESSAGE ON SB 5148

May 17, 1991

To the Honorable, the Senate  
of the State of Washington  
Ladies and Gentlemen:

I am returning herewith, without my approval as to sections 8 and 9, Senate Bill No. 5148 entitled:

"AN ACT Relating to Limited Partnerships."

This legislation provides beneficial flexibility to limited partnerships so they can merge with each other or with corporations. Additional statutory changes clarify and add certainty to filing requirements.

Sections 8 and 9, however, would significantly change business operations in this state against the public interest. Limited partnerships evolved so certain business partners could invest with limited personal liability. In return for the limited liability these partners have been proscribed from engaging in certain managerial activities. This concept protects creditors, other limited partners, clients and others who do business with partnerships. The amendments in this bill turn this concept on its face and extend the liability shield for limited partners, while removing the limits on their managerial control of the business.

For these reasons, I have vetoed sections 8 and 9 of Senate Bill No. 5148.

With the exception of sections 8 and 9, Senate Bill No. 5148 is approved.

Respectfully submitted,  
Booth Gardner  
Governor