

FINAL BILL REPORT

SB 6531

C 325 L 06

Synopsis as Enacted

Brief Description: Preserving remedies when limited liability companies dissolve.

Sponsors: Senators Weinstein, Fraser and Kline.

Senate Committee on Judiciary

House Committee on Judiciary

Background: When a limited liability company dissolves, it must pay, or make reasonable provisions to pay, all claims and obligations known to the limited liability company, whether or not the identity of the claimant is known. If there are insufficient assets, the claims and obligations must be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available.

Summary: When a limited liability company dissolves, an action for claims or rights against it must be commenced within three years after the effective date of dissolution in order to survive. This includes claims or rights, or liability incurred, prior to, or after, dissolution.

Votes on Final Passage:

Senate	41	0
House	97	0

Effective: June 7, 2006