

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7913**  
**BILL NUMBER: SB 571**

**DATE PREPARED:** May 3, 1999  
**BILL AMENDED:** Apr 28, 1999

**SUBJECT:** Limited Liability Companies.

**FISCAL ANALYST:** Alan Gossard  
**PHONE NUMBER:** 233-3546

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** No Fiscal Impact

**Summary of Legislation:** (CCR Amended) This bill makes the following changes in the statutory regulation of limited liability companies that are formed after June 30, 1999 (unless the operating agreement provides otherwise): (1) Provides that if a limited liability company has more than one member, an assignee of an interest may become a member only if the other members unanimously consent. (2) Provides that if a limited liability company has only one member, an assignee of an interest may become a member in accordance with the terms of an agreement between the assignor and assignee. (3) Provides that a member may withdraw from a limited liability company only at the time or upon the occurrence of events specified and in accordance with the operating agreement. The bill also makes changes to the specified circumstances when a limited liability company will dissolve and the company's affairs must be wound up. It also makes conforming amendments.

**Effective Date:** (CCR Amended) July 1, 1999.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**