By the Committee on Commerce; and Senator Deutch

577-2208-07

| 1 | A bill to be entitled |
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| 2 | An act relating to limited liability companies; |
| 3 | amending s. 608.406, F.S.; eliminating |
| 4 | authorization to use the words "limited |
| 5 | company," the abbreviation "L.C.," or the |
| 6 | designation "L.C." as a company name; requiring |
| 7 | a limited liability company name to be |
| 8 | distinguishable on databases maintained by the |
| 9 | Division of Corporations of the Department of |
| 10 | State; providing an exception; deleting a |
| 11 | name-recording requirement for the department; |
| 12 | amending s. 608.407, F.S.; requiring the name |
| 13 | of a limited liability company in the company's |
| 14 | articles of organization to satisfy certain |
| 15 | requirements; providing an effective date. |
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| 17 | Be It Enacted by the Legislature of the State of Florida: |
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| 19 | Section 1. Section 608.406, Florida Statutes, is |
| 20 | amended to read: |
| 21 | 608.406 Limited liability company name |
| 22 | (1) A limited liability company name: |
| 23 | (a) Must contain the words "limited liability |
| 24 | company," or "limited company," or the abbreviation |
| 25 | abbreviations "L.L.C.," or "L.C.," or the <u>designation</u> |
| 26 | designations "LLC" or "LC" as the last words of its the name; |
| 27 | this applies to of every limited liability company formed |
| 28 | under the provisions of this chapter. The word "limited" may |
| 29 | be abbreviated as "Ltd.," and the word "company" may be |
| 30 | abbreviated as "Co." Omission of the words "limited liability |
| 31 | company," or "limited company," the abbreviation abbreviations |

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- "L.L.C.," or "L.C.," or the designation designations "LLC" or 2 | "LC" in the use of the name of the limited liability company renders shall render any person who knowingly participates in the omission, or knowingly acquiesces in the omission, liable for any indebtedness, damage, or liability caused by the omission.
 - (b) May not contain language stating or implying that the limited liability company is organized for a purpose other than that permitted in this chapter and its articles of organization.
 - (c) May not contain language stating or implying that the limited liability company is connected with a state or federal government agency or a corporation or other entity chartered under the laws of the United States.
 - (2) The name of the limited liability company must be distinguishable on the databases of the Division of Corporations of the Department of State, except for fictitious name registrations filed pursuant to s. 865.09 and general partnership registrations filed pursuant to s. 620.8105. Except as stated in this subsection, a limited liability company may register under a name that is not otherwise distinguishable on the records of the Division of Corporations with written consent of the owner entity if the consent is filed with the Division of Corporations at the time of registration of such name.
 - (3)(2) The name of the limited liability company shall be filed with the Department of State for public notice only and shall not alone create any presumption of ownership beyond that which is created under the common law. The Department of State shall record the name without regard to any other name recorded.

| 1 | (4) In the case of any limited liability company in |
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| 2 | existence prior to July 1, 2007, and registered with the |
| 3 | Division of Corporations, the requirement in this section that |
| 4 | the name of the entity be distinguishable from the names of |
| 5 | other entities and filings does not apply except if the |
| 6 | limited liability company files documents on or after July 1, |
| 7 | 2007, which would otherwise have affected its name. |
| 8 | Section 2. Paragraph (a) of subsection (1) of section |
| 9 | 608.407, Florida Statutes, is amended to read: |
| 10 | 608.407 Articles of organization |
| 11 | (1) In order to form a limited liability company, |
| 12 | articles of organization of a limited liability company shall |
| 13 | be filed with the Department of State by one or more members |
| 14 | or authorized representatives of the limited liability |
| 15 | company. The articles of organization shall set forth: |
| 16 | (a) The name of the limited liability company, which |
| 17 | must satisfy the requirements of s. 608.406. |
| 18 | Section 3. This act shall take effect July 1, 2007. |
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| 1 | STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR Senate Bill 2148 |
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| The bill as filed required limited liability companies registered with the Department of State (DOS) to be | |
| 5 | distinguishable on the databases maintained by the Division of Corporations within DOS. The CS includes this requirement and: |
| 6 | - Removes the option for a "limited company" (an obsolete |
| 7 | designation) to be registered with the state; |
| 8 9 | Exempts general partnership names registered under s. 620.8105, F.S., from the requirement that the name be distinguishable from DOS databases; |
| 10 | - Provides that a non-distinguishable name may be |
| | registered with the written consent of the owner entity and if this consent is filed with the application for registration; and |
| 12 | - Applies distinguishable name requirements of the bill |
| 13 | prospectively. |
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