

42:2B-49.1

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2003 **CHAPTER:** 12
NJSA: 42:2B-49.1 (Dissolved limited liability companies)
BILL NO: A1864 (Substituted for S1614)

SPONSOR(S): Merkt and Cohen

DATE INTRODUCED: February 21, 2002

COMMITTEE: **ASSEMBLY:** Banking and Insurance

SENATE: Commerce

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY** May 6, 2002

SENATE: December 16, 2002

DATE OF APPROVAL: January 28, 2003

FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (Original version of bill enacted)

A1864

[SPONSORS STATEMENT:](#) (Begins on page 3 of original bill) [Yes](#)

COMMITTEE STATEMENT: [ASSEMBLY:](#) [Yes](#)

[SENATE:](#) [Yes](#)

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

S1614

[SPONSORS STATEMENT:](#) (Begins on page 3 of original bill) [Yes](#)

Bill and Sponsors Statement identical to A1864

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: [Yes](#)

Identical to Senate Statement for A1864

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>

REPORTS:

No

HEARINGS:

No

NEWSPAPER ARTICLES:

No

P.L. 2003, CHAPTER 12, *approved January 28, 2003*

Assembly, No. 1864

1 **AN ACT** limiting liability of dissolved limited liability companies to
2 creditors in certain circumstances and supplementing P.L.1993,
3 c.210 (C.42:2B-1 et seq.).
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. a. At any time after a limited liability company has been
9 dissolved, the limited liability company, the liquidating trustee or a
10 receiver appointed for the limited liability company may give notice
11 requiring all creditors to present their claims in writing. The notice
12 shall be published three times, once in each of three consecutive
13 weeks, in a newspaper of general circulation in the county in which the
14 registered office of the limited liability company is located and shall
15 state that all persons who are creditors of the limited liability company
16 shall present written proof of their claims to the limited liability
17 company, the liquidating trustee or a receiver appointed for the limited
18 liability company at a place and on or before a date named in the
19 notice, which date shall not be less than six months after the date of
20 the first publication.

21 b. On or before the date of the first publication of the notice as
22 provided in subsection a. of this section, the limited liability company,
23 the liquidating trustee or a receiver appointed for the limited liability
24 company shall mail a copy of the notice to each known creditor of the
25 limited liability company. The giving of this notice shall not constitute
26 recognition that any person to whom that notice is directed is a
27 creditor of the limited liability company other than for the purpose of
28 receipt of notice hereunder.

29 c. Proof of the publication and mailing authorized by this section
30 shall be made by an affidavit filed with the Division of Commercial
31 Recording in the Department of Treasury.

32 d. As used in this act, "creditor" means all persons to whom the
33 limited liability company is indebted, and all other persons who have
34 claims or rights against the limited liability company, whether
35 liquidated or unliquidated, matured or unmatured, direct or indirect,
36 absolute or contingent, secured or unsecured.
37

38 2. Any creditor who does not file a claim as provided within the
39 time limit specified in the notice given pursuant to section 1 of this act,
40 and all those claiming through the creditor or under the claim, shall be
41 forever barred from suing on the claim or otherwise realizing upon or
42 enforcing it except, in the case of a creditor who shows good cause for
43 not having previously filed a claim, to the extent the Superior Court

1 may allow:

2 a. against the limited liability company to the extent of any
3 undistributed assets; or

4 b. if the undistributed assets are not sufficient to satisfy a claim,
5 against a member to the extent of the member's ratable part of the
6 claim, out of the assets of the limited liability company distributed to
7 the member in dissolution.

8 This section shall not apply to claims which are in litigation on the
9 date of the first publication of the notice pursuant to section 1 of this
10 act.

11

12 3. This act shall take effect immediately.

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STATEMENT

16

17 This bill provides limited liability companies with the same creditor
18 protection and notice provisions applicable to corporations in
19 N.J.S.14A:12-12 and 13. Specifically, if a limited liability company is
20 dissolved, the bill gives notice to its creditors requiring them to
21 present their claims in writing. The notice must be published three
22 times in a newspaper in general circulation in the county in which its
23 registered office is located and must be mailed to each known creditor
24 of the limited liability company. The company must allow at least six
25 months for the creditors to present their claims. Any creditor who
26 does not file a claim in time is forever barred from suing on the claim
27 with certain limitations. The provisions of the bill do not apply to any
28 claims which are in litigation.

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33 Limiting liability of dissolved limited liability companies to creditors
34 in certain circumstances.

ASSEMBLY, No. 1864

STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED FEBRUARY 21, 2002

Sponsored by:

Assemblyman RICK MERKT

District 25 (Morris)

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

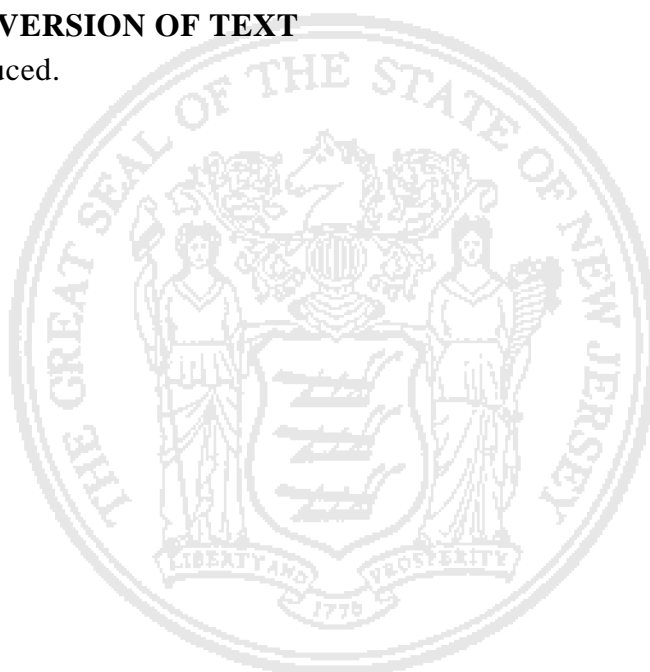
Senator Bucco

SYNOPSIS

Limiting liability of dissolved limited liability companies to creditors in certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/17/2002)

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2 creditors in certain circumstances and supplementing P.L.1993,
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13 weeks, in a newspaper of general circulation in the county in which the
14 registered office of the limited liability company is located and shall
15 state that all persons who are creditors of the limited liability company
16 shall present written proof of their claims to the limited liability
17 company, the liquidating trustee or a receiver appointed for the limited
18 liability company at a place and on or before a date named in the
19 notice, which date shall not be less than six months after the date of
20 the first publication.

21 b. On or before the date of the first publication of the notice as
22 provided in subsection a. of this section, the limited liability company,
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24 company shall mail a copy of the notice to each known creditor of the
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26 recognition that any person to whom that notice is directed is a
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31 Recording in the Department of Treasury.

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34 claims or rights against the limited liability company, whether
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36 absolute or contingent, secured or unsecured.
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41 forever barred from suing on the claim or otherwise realizing upon or
42 enforcing it except, in the case of a creditor who shows good cause for
43 not having previously filed a claim, to the extent the Superior Court
44 may allow:

45 a. against the limited liability company to the extent of any
46 undistributed assets; or

1 b. if the undistributed assets are not sufficient to satisfy a claim,
2 against a member to the extent of the member's ratable part of the
3 claim, out of the assets of the limited liability company distributed to
4 the member in dissolution.

5 This section shall not apply to claims which are in litigation on the
6 date of the first publication of the notice pursuant to section 1 of this
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22 months for the creditors to present their claims. Any creditor who
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24 with certain limitations. The provisions of the bill do not apply to any
25 claims which are in litigation.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1864

STATE OF NEW JERSEY

DATED: MARCH 4, 2002

The Assembly Banking and Insurance Committee reports favorably Assembly Bill No. 1864.

This bill provides limited liability companies with protections from creditors similar to those currently available to corporations under New Jersey's corporation statutes.

This bill provides that at any time after a limited liability company is dissolved, the limited liability company, the liquidating trustee or a receiver appointed for the limited liability company may give notice requiring all creditors to present their claims in writing. The bill requires that the notice be published three times in a newspaper of general circulation in the county in which the registered office of the limited liability company is located and mailed to each known creditor of the limited liability company. The bill provides that the limited liability company must allow a minimum of six months for creditors to present their claims.

The bill defines "creditor" as all persons to whom the limited liability company is indebted, and all other persons who have claims or rights against the limited liability company, whether liquidated or unliquidated, matured or unmatured, direct or indirect, absolute or contingent, secured or unsecured.

Under the bill, any creditor who does not file a claim within the time limits specified in the notice is forever barred from suing on the claim except for good cause as allowed by the Superior Court.

Finally, the bill provides that its provisions do not apply to any claims which are in litigation as of the date of the first publication of the notice to creditors.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1864

STATE OF NEW JERSEY

DATED: NOVEMBER 18, 2002

The Senate Commerce Committee reports favorably Assembly Bill No. 1864.

This bill provides limited liability companies with protections from creditors similar to those currently available to corporations under New Jersey's corporation statutes.

This bill provides that at any time after a limited liability company is dissolved, the limited liability company, the liquidating trustee or a receiver appointed for the limited liability company may give notice requiring all creditors to present their claims in writing. The bill requires that the notice be published three times in a newspaper of general circulation in the county in which the registered office of the limited liability company is located and mailed to each known creditor of the limited liability company. The bill provides that the limited liability company must allow a minimum of six months for creditors to present their claims.

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SENATE, No. 1614

STATE OF NEW JERSEY
210th LEGISLATURE

INTRODUCED JUNE 6, 2002

Sponsored by:
Senator ANTHONY R. BUCCO
District 25 (Morris)

SYNOPSIS

Limiting liability of dissolved limited liability companies to creditors in certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



S1614 BUCCO

2

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2 creditors in certain circumstances and supplementing P.L.1993,
3 c.210 (C.42:2B-1 et seq.).

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SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 1614

STATE OF NEW JERSEY

DATED: NOVEMBER 18, 2002

The Senate Commerce Committee reports favorably Senate Bill No. 1614.

This bill provides limited liability companies with protections from creditors similar to those currently available to corporations under New Jersey's corporation statutes.

This bill provides that at any time after a limited liability company is dissolved, the limited liability company, the liquidating trustee or a receiver appointed for the limited liability company may give notice requiring all creditors to present their claims in writing. The bill requires that the notice be published three times in a newspaper of general circulation in the county in which the registered office of the limited liability company is located and mailed to each known creditor of the limited liability company. The bill provides that the limited liability company must allow a minimum of six months for creditors to present their claims.

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