WEST VIRGINIA LEGISLATURE
SEVENTY-NINTH LEGISLATURE
REGULAR SESSION, 2010

ENROLLED
COMMITTEE SUBSTITUTE
FOR
Senate Bill No. 696
(Senators Kessler, Browning, Chaifin, Jenkins, Palumbo, Snyder, Stollings, Williams, Yost and Hall, original sponsors)

[Passed March 13, 2010; in effect ninety days from passage.]
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AN ACT to amend and reenact §47B-10-1 and §47B-10-4 of the Code of West Virginia, 1931, as amended, all relating generally to limited liability partnerships; updating registration requirements; establishing procedures for and consequences of administrative dissolution and reinstatement; and setting notice requirements and appellate options with regard to administrative decisions on dissolution and reinstatement.

Be it enacted by the Legislature of West Virginia:

That §47B-10-1 and §47B-10-4 of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

ARTICLE 10. LIMITED LIABILITY PARTNERSHIP.

§47B-10-1. Registered limited liability partnerships.

1 (a) To become a registered limited liability partnership, a partnership shall deliver and file with the Secretary of State a statement of registration stating:
(1) the name of the partnership;
(2) the address of its principal office;
(3) the address of a registered office;
(4) the name and address of a registered agent for service of process, if any;
(5) an e-mail address to where informational notices and reminders of annual filings may be sent, unless there is a technical inability to comply;
(6) a brief statement of the business in which the partnership engages;
(7) the name and address of each partner authorized to execute instruments on behalf of the partnership;
(8) any other matters that the partnership determines to include; and
(9) that the partnership thereby registers as a registered limited liability partnership.

(b) The registration shall be executed by one or more partners authorized to execute a registration.

(c) The registration shall be accompanied by a fee of $250.

(d) The Secretary of State shall register as a registered limited liability partnership any partnership that submits a completed registration with the required fee and deliver to the partnership or its representative a receipt for the record and the fees.

(e) A partnership registered under this section shall pay, in each year following the year in which its registration is filed, an annual fee of $500. The fee shall be accompanied by a notice, on a form provided by the Secretary of State, of any material changes in the information contained in
the partnership's registration. The annual notice and fee is due between January 1 and July 1 of each year.

(f) Registration is effective:

(1) Immediately after the date a registration is filed; or

(2) On a date specified in the statement of registration, which date shall not be more than sixty days after the date of filing.

(g) Registration remains effective until:

(1) It is voluntarily withdrawn by filing with the Secretary of State a statement of withdrawal; or

(2) It is administratively dissolved by the Secretary of State: Provided, That the Secretary of State commenced a proceeding to dissolve the limited liability partnership and notification of the administrative proceeding to dissolve the limited liability partnership was delivered to the limited liability partnership. The Secretary of State may commence the administrative proceeding due to

(A) a limited liability partnership's failure to pay fees imposed by this chapter or any other law within sixty days after the fees were due; or

(B) a limited liability partnership's failure to deliver its annual notice to the Secretary of State within sixty days after the notice was due.

(h) The procedure for administrative dissolution is as follows:

(1) If the Secretary of State determines that one or more grounds exist under this section for dissolving a limited liability partnership, he or she shall notify the limited liability partnership in writing, of his or her determination.
(2) If the limited liability partnership does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the Secretary of State that each ground determined by the Secretary of State does not exist within sixty days after service of the Secretary of State's notice, the Secretary of State shall administratively dissolve the limited liability partnership by issuing a certificate of administrative dissolution that recites the ground or grounds for dissolution and its effective date. The Secretary of State shall send a copy of the administrative dissolution to the limited liability partnership.

(i) A limited liability partnership administratively dissolved continues its existence but may not carry on any business except that necessary to wind up and liquidate its business and affairs and notify claimants of such.

(j) The administrative dissolution of a limited liability partnership does not terminate the authority of its registered agent.

(k) A limited liability partnership administratively dissolved under this section may apply to the secretary of state for reinstatement within two years after the effective date of dissolution. The application must:

(1) Recite the name of the limited liability partnership and the effective date of its administrative dissolution;

(2) State that the ground or grounds for dissolution either did not exist or have been eliminated;

(3) Contain a certificate from the tax commissioner reciting that all taxes owed by the limited liability partnership have been paid.

(l) If the Secretary of State determines that the application contains the information required by subsection (k) of this section and that the information is correct, he or she shall cancel the certificate of dissolution and prepare a
certificate of reinstatement that recites his or her determination and the effective date of reinstatement, file the original of the certificate and send a copy to the limited liability partnership.

(m) When the reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution and the limited liability partnership resumes carrying on its business as if the administrative dissolution had never occurred.

(n) If the Secretary of State denies a limited liability partnership's application for reinstatement following administrative dissolution, he or she shall notify the limited liability partnership in writing to explain the reason or reasons for denial.

(o) The limited liability partnership may appeal the denial of reinstatement to the circuit court of the county where the limited liability partnership is located within thirty days after service of the Secretary of State's notice. The appeal to the circuit court to set aside the dissolution shall include copies of the Secretary of State's certificate of dissolution, the limited liability's application for reinstatement and the Secretary of State's notice of denial.

(p) The circuit court may summarily order the Secretary of State to reinstate the dissolved limited liability partnership or may take other action the circuit court considers appropriate.

(q) The circuit court's final decision may be appealed as in other civil proceedings.

(r) The status of a partnership as a registered limited liability partnership and the liability of the partners thereof shall not be affected by:

(1) Errors in the information contained in a statement of registration under subsection (a) of this section or notice under subsection (e) of this section; or
(2) Changes after the filing of the statement of registration or notice in the information stated in the registration or notice.

(s) The Secretary of State may provide forms for the statement of registration under subsection (a) of this section or a notice under subsection (e) of this section.

(t) All fees and moneys collected by the Secretary of State pursuant to the provisions of this article shall be deposited by the Secretary of State as follows: One-half shall be deposited in the state General Revenue Fund and one-half shall be deposited in the service fees and collections account established by section two, article one, chapter fifty-nine of this code for the operation of the office of the Secretary of State. The Secretary of State shall dedicate sufficient resources from that fund or other funds to provide the services required in this article.

§47B-10-4. Applicability of article to foreign and interstate commerce.

(a) A registered limited liability partnership formed under this article may conduct its business, carry on its operations and have and exercise the powers granted by this chapter in any state, territory, district or possession of the United States or in any foreign country.

(b) It is the intent of the Legislature that the legal existence of registered limited liability partnerships formed under this article be recognized outside the boundaries of this state and that the laws of this state governing such registered limited liability partnerships doing business outside this state be granted the protection of full faith and credit under the Constitution of the United States.

(c) Notwithstanding section six, article one of this chapter, the internal affairs of registered limited liability partnerships formed under this article, including the
liability of partners for debts, obligations and liabilities of 
or chargeable to the partnership, shall be subject to and 
governed by the laws of this state.

(d) Before transacting business in this state, a foreign 
registered limited liability partnership shall:

(1) Comply with any statutory or administrative regis-

tration or filing requirements governing the specific type 
of business in which the partnership is engaged; and 

(2) File a notice with the Secretary of State, stating the 
name of the partnership or if its name is unavailable for 
use in this state, a limited partnership name that satisfies 
the requirements of section four-e of this article, including 
a copy of the resolution of its partners adopting the 
fictitious name; the address of its principal office; the 
address of a registered office and the name and address of 
a registered agent for service of process, if any; an e-mail 
address to where informational notices and reminders of 
annual filings may be sent, unless there is a technical 
inability to comply; a brief statement of the business in 
which the partnership engages; the name and address of 
each partner authorized to execute instruments on behalf 
of the partnership and any other matters that the partner-

ship determines to include; and a brief statement of the 
business in which the partnership engages. Such notice 
shall be effective for two years from the date of filing, 
after which time the partnership shall file a new notice.

(e) The name of a foreign registered limited liability 
partnership doing business in this state shall contain the 
words "Registered Limited Liability Partnership" or the 
abbreviation "L.L.P." or "LLP" as the last words or letters 
of its name.

(f) Notwithstanding section six, article one of this 
chapter, the internal affairs of foreign registered limited 
liability partnerships, including the liability of partners
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51 for debts, obligations and liabilities of or chargeable to the
52 partnership, shall be subject to and governed by the laws
53 of the jurisdiction in which the foreign registered limited
54 liability partnership is registered.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the 31st Day of , 2010.

Governor
PRESENTED TO THE GOVERNOR

MAR 30 2010

Time 4:20 pm