



Legislation Text

File #: Res 0062-2010, **Version:** *

Res. No. 62

Resolution calling upon the New York State Legislature to pass Assembly Bill A.4496 and Senate Bill S.1667, which would eliminate the publication requirements for limited liability companies.

By Council Members Koppell and Garodnick

Whereas, A.4496, sponsored by New York State Assembly Member Micah Kellner, and S.1667, sponsored by New York State Senator Liz Krueger, would eliminate the requirement that limited liability companies (LLC) publish their articles of organization in print publications; and

Whereas, Such legislation would also remove the publication requirements for conversions of partnerships or limited partnerships to limited liability companies and would eliminate the filing fees for the affidavits of publication; and

Whereas, In addition, A. 4496 and S.1667 would create an online filing fee requirement with the New York Department of State of \$50.00; and

Whereas, The intent of the New York State Legislature when enacting the limited liability company law (LLCL), in 1994, was to allow businesses, particularly small businesses, to enjoy the advantages of incorporation, without requiring them to adopt the organizational constraints of the business corporation law; and

Whereas, Currently, Section 206 of the LLCL requires that after the articles of organization have been filed, the LLC must publish a copy of the articles or a notice of their substance, once a week, for six consecutive weeks, in two newspapers from the county where the LLC is located; and

Whereas, The LLC is then required to file affidavits of publication within 120 days and pay a fee of \$50.00; and

Whereas, No such requirements apply to business corporations; and

Whereas, The current publication requirements for LLCs are therefore both unnecessary and very expensive, sometimes prohibitively so; and

Whereas, The proposed online publication requirement with the Department of State is much less burdensome and more affordable for LLCs; and

Whereas, This proposed online publication requirement also makes publishing information easily accessible to the public, as it is currently very difficult to find published information on a LLC when or after it has appeared in print in a daily or weekly local publication; and

Whereas, The enactment of A. 4496 and S.1667 would encourage more LLCs to become established in New York City, thereby creating more jobs that would boost the City's economy and significantly increase City and State revenue; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass Assembly Bill A.4496 and Senate Bill S.1667, which would eliminate the publication requirements for limited liability companies.

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2/22/10
5:00 p.m.
TC