

## Committee Substitute for House Bill No. 361

An act relating to partnership filings administered by the Department of State; amending s. 620.8101, F.S.; defining the terms “foreign limited liability partnership” and “limited liability partnership” and redefining the term “statement”; amending ss. 620.8103, 620.8105, 620.81055, 620.8106, 620.8201, 620.8303, 620.8304, 620.8306, 620.8307, 620.8701, 620.8702, 620.8703, 620.8704, 620.8801, 620.8805, 620.8806, 620.8807, 620.8903, 620.8904, 620.8906, and 620.8907, F.S.; conforming statutory cross references; providing for registration requirements; providing document filing fees; providing for governing law; providing for partners’ liability; providing for actions for and against partners; providing for purchase of dissociated interests; providing for settlement and contribution; providing for conversions; providing for the effect of merger; creating ss. 620.9001, 620.9002, 620.9003, 620.9101, 620.9102, 620.9103, 620.9104, 620.9105, and 620.187, F.S.; adopting the model act provisions of the limited liability partnership act into the Revised Uniform Partnership Act of 1995; providing for statement of qualification, name, annual report, statement of foreign qualification, effect of failure to qualify, activities not constituting transacting business, action by Attorney General, and limited liability limited partnerships; amending s. 865.09, F.S.; providing for conditions for exemption from fictitious name registration; providing for the use of corporate names; providing for continuation of status of certain registered limited liability partnerships; redesignating s. 620.90, F.S., as s. 620.9901, F.S., relating to applicability; redesignating s. 620.91, F.S., as s. 620.9902, F.S., relating to a saving clause; repealing ss. 620.78, 620.781, 620.782, 620.783, 620.784, 620.7851, 620.786, 620.787, 620.788, 620.7885, 620.7887, and 620.789, F.S., relating to registered limited liability partnerships; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 620.8101, Florida Statutes, is amended to read:

620.8101 Definitions.—As used provided in this act, the term:

(1) “Act” means the Revised Uniform Partnership Act of 1995, consisting of ss. 620.81001-620.9902 ~~620.81001-620.8908~~.

(2) “Business” means any trade, occupation, profession, or investment activity.

(3) “Debtor in bankruptcy” means a person who is the subject of:

(a) An order for relief under Title 11, United States Code, or a comparable order under a successor statute of general application; or

(b) A comparable order under federal or state law governing insolvency.

(4) “Distribution” means a transfer of money or other property from a partnership to a partner in the partner’s capacity as a partner or to the partner’s transferee.

(5) “Foreign limited liability partnership” means a partnership that is formed under laws other than the laws of this state and has the status of a limited liability partnership under those laws.

(6) “Limited liability partnership” means a registered limited liability partnership registered under ss. 620.78-620.789 immediately prior to the effective date of this act or a partnership that has filed a statement of qualification under s. 620.9001 and has not filed a similar statement in any other jurisdiction.

~~(7)~~(5) “Partnership” means an association of two or more persons to carry on as coowners a business for profit formed under s. 620.8202, predecessor law, or the comparable law of another jurisdiction.

~~(8)~~(6) “Partnership agreement” means an agreement, whether written, oral, or implied, among the partners concerning the partnership, including amendments to the partnership agreement.

~~(9)~~(7) “Partnership at will” means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.

~~(10)~~(8) “Partnership interest” or “partner’s interest in the partnership” means all of a partner’s interests in the partnership, including the partner’s transferable interest and all management and other rights.

~~(11)~~(9) “Person” means an individual, corporation, business trust, estate, trust, partnership, limited partnership, association, joint venture, limited liability company, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

~~(12)~~(40) “Property” means all property, real, personal, or mixed, tangible or intangible, or any interest therein.

~~(13)~~(41) “Registration” or “registration statement” means a partnership registration statement filed with the Department of State under s. 620.8105.

~~(14)~~(42) “State” means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

~~(15)~~(43) “Statement” means a statement of partnership authority under s. 620.8303, a statement of denial under s. 620.8304, a statement of dissociation under s. 620.8704, a statement of dissolution under s. 620.8805, a statement of merger under s. 620.8907, a statement of qualification under s. 620.9001, a statement of foreign qualification under s. 620.9102, or an amendment or cancellation of any of the foregoing.

~~(16)~~(44) “Transfer” includes an assignment, conveyance, lease, mortgage, deed, or encumbrance.

Section 2. Subsection (2) of section 620.8103, Florida Statutes, is amended to read:

620.8103 Effect of partnership agreement; nonwaivable provisions.—

(2) The partnership agreement may not:

(a)~~1~~. Vary the rights and duties under s. 620.8105 except to eliminate the duty to provide copies of statements to all of the partners;

(b) Vary the law applicable to a limited liability partnership under s. 620.8106(2);

~~(c)2~~. Unreasonably restrict the right of access to books and records under s. 620.8403(2) or to information under s. 620.8403(3); and (3); or

~~(d)3~~. Eliminate the duty of loyalty under s. 620.8404(2) or s. 620.8603(2)(c), but:

1. The partnership agreement may identify specific types or categories of activities that do not violate the duty of loyalty, if not manifestly unreasonable; or

2. All of the partners or a number or percentage specified in the partnership agreement may authorize or ratify, after full disclosure of all material facts, a specific act or transaction that otherwise would violate the duty of loyalty;

~~(e)(b)~~ Unreasonably reduce the duty of care under s. 620.8404(3) or s. 620.8603(2)(c);

~~(f)(c)~~ Eliminate the obligation of good faith and fair dealing under s. 620.8404(4), but the partnership agreement may prescribe the standards by which the performance of the obligation is to be measured if the standards are not manifestly unreasonable;

~~(g)(d)~~ Vary the power to dissociate as a partner under s. 620.8602(1), except to require the notice under s. 620.8601(1) to be in writing;

~~(h)(e)~~ Vary the right of a court to expel a partner under the events specified in s. 620.8601(5);

~~(i)(f)~~ Vary the requirement to wind up the partnership business in cases specified in s. 620.8801(4), (5), or (6) ~~620.8601(4), (5), or (6);~~

~~(j)(g)~~ Change the notice provisions contained in s. 620.8902(6) or s. 620.8905(6); or

~~(k)(h)~~ Restrict rights of third parties under this act.

Section 3. Subsections (1), (4), (5), and (7) of section 620.8105, Florida Statutes, are amended to read:

620.8105 Execution, filing, and recording of partnership registration and other statements.—

(1) A partnership may file a partnership registration statement with the Department of State, which must include:

(a) The name of the partnership, which ~~is must be~~ filed for purpose of public notice only and ~~creates shall create~~ no presumption of ownership beyond that which is created under the common law and which shall be recorded by the Department of State without regard to any other name recordation.

(b) The street address of the chief executive office of the partnership and the street address of the principal office of the partnership in this state, if there is one.

(c)1. The names and mailing addresses of all partners of the partnership; or

2. The name and street address of an agent in this state appointed and maintained by the partnership, who shall maintain a list of the names and mailing addresses of all of the partners of the partnership and, on request for good cause shown, shall make the list available to any person at an office open from at least 10 a.m. to 12 noon each day, except Saturdays, Sundays, and legal holidays.

(d) Pursuant to s. 119.092, the partnership's federal employer identification number.

(e) The name and recorded document number in this state of a partner or agent named pursuant to subparagraph (c)2. that is a person other than an individual.

(4) Except as provided in s. 620.8304 or s. 620.8704, a statement may be filed with the Department of State only if the partnership has filed a registration statement pursuant to subsection (1). ~~If otherwise sufficient~~, a certified copy of a statement that is filed in a jurisdiction other than this state may be filed with the Department of State in lieu of an original statement. Any such filing has the effect provided in this act with respect to partnership property located in, or transactions that occur in, this state.

(5) A partnership registration statement or other statement must be delivered to the Department of State for filing, which may be accomplished ~~by include~~ electronic filing pursuant to s. 15.16 and must be typewritten or legibly printed in the English language.

(7) A partnership may amend or cancel its registration, and a person authorized by this act to file a statement of partnership authority, a statement of denial, a statement of dissociation, a statement of dissolution, a statement of merger, a statement of qualification, or a statement of foreign qualification may amend or cancel such ~~the~~ statement, by filing an amendment or cancellation that:

(a) Identifies the partnership and the statement being amended or canceled; and

(b) States the substance of what is being amended or canceled.

Section 4. Subsection (1) of section 620.81055, Florida Statutes, 1998 Supplement, is amended to read:

620.81055 Fees for filing documents and issuing certificates; powers of the Department of State.—

(1) The Department of State shall collect the following fees when documents authorized by this act are delivered to the Department of State for filing:

(a) Partnership registration statement: \$50.

(b) Statement of partnership authority: \$25.

(c) Statement of denial: \$25.

(d) Statement of dissociation: \$25.

(e) Statement of dissolution: \$25.

(f) Statement of qualification: \$25.

(g) Statement of foreign qualification: \$25.

(h) Limited liability partnership annual report: \$25.

(i)(f) Statement of merger for each party thereto: \$25.

(j)(g) Amendment to any statement or registration: \$25.

(k)(h) Cancellation of any statement or registration: \$25.

(l)(i) Certified copy of any recording or part thereof: \$52.50.

(m)(j) Certificate of status: \$8.75.

(n)(k) Any other document required or permitted to be filed by this act: \$25.

Section 5. Section 620.8106, Florida Statutes, is amended to read:

620.8106 Governing law governing internal relations.—

(1) Except as otherwise provided in subsection (2), the law of the jurisdiction in which a partnership has its chief executive office governs relations among partners and between the partners and a partnership.

(2) The law of this state governs relations among the partners and between the partners and the partnership and the liability of partners for an obligation of a limited liability partnership.

Section 6. Section 620.8201, Florida Statutes, is amended to read:

## 620.8201 Partnership as entity.—

(1) A partnership is an entity distinct from its partners.

(2) A limited liability partnership continues to be the same entity that existed before the filing of a statement of qualification under s. 620.9001.

Section 7. Subsection (2) of section 620.8303, Florida Statutes, is amended to read:

## 620.8303 Statement of partnership authority.—

(2) If a filed statement of partnership authority is executed pursuant to s. ~~620.8105(6)~~ 620.8105(3) and states the name of the partnership but does not contain all of the other information required by subsection (1), the statement nevertheless operates with respect to a person not a partner as provided in subsections (3) and (4).

Section 8. Subsection (3) of section 620.8304, Florida Statutes, is amended to read:

## 620.8304 Statement of denial.—

(3) A statement of denial is a limitation on authority as provided in s. ~~620.8303(3) and (4)~~ 620.8303(5) and (6).

Section 9. Section 620.8306, Florida Statutes, is amended to read:

## 620.8306 Partner's liability.—

(1) Except as otherwise provided in subsections (2) and (3) ~~subsection (2)~~, all partners are liable jointly and severally for all obligations of the partnership unless otherwise agreed by a claimant or provided by law.

(2) A person admitted as a partner into an existing partnership is not personally liable for any partnership obligation incurred before the person's admission as a partner.

(3) An obligation of a partnership incurred while the partnership is a limited liability partnership, whether arising in contract, tort, or otherwise, is solely the obligation of the partnership. A partner is not personally liable, directly or indirectly, by way of contribution or otherwise, for such an obligation solely by reason of being or so acting as a partner. This subsection applies notwithstanding anything inconsistent in the partnership agreement that existed immediately before the vote required to become a limited liability partnership under s. 620.9001(2). Notwithstanding the provisions of this subsection, at any time during the first 6 months after the effective date of this subsection, a limited liability partnership that became a limited liability partnership before the effective date of this subsection may, by filing a notice with the Secretary of State so stating, waive its partners' protection from liability arising from written contractual obligations of the limited liability partnership with regard to any particular written obligations or all written obligations entered into at any time or during any

particular period of time set forth in the notice. If a limited liability partnership executes and delivers such a notice, each partner of the limited liability partnership is jointly and severally liable for the contractual obligations of the partnership which are the subject of the notice, except that no partner is liable under any such contract for any amount in excess of the amount for which the partner would have been liable under the laws of this state as they existed immediately before the effective date of this subsection.

Section 10. Subsections (2) and (4) of section 620.8307, Florida Statutes, are amended to read:

620.8307 Actions by and against partnership and partners.—

(2) An action may be brought against the partnership and, to the extent not inconsistent with s. 620.8306, any or all of the partners in the same action or in separate actions.

(4) A judgment creditor of a partner may perfect a judgment lien but may not proceed against or otherwise levy or execute against the assets of the partner to satisfy a judgment arising from a partnership obligation or liability unless the partner is personally liable for the claim under s. 620.8306 and:

(a) A judgment based on the same claim has been obtained against the partnership and a writ of execution on the judgment has been returned unsatisfied in whole or in part;

(b) The partnership is a debtor in bankruptcy;

(c) The partner has agreed that the creditor need not exhaust partnership assets;

(d) A court grants permission to the judgment creditor to proceed against or otherwise levy or execute against the assets of a partner based on a finding that partnership assets subject to execution are clearly insufficient to satisfy the judgment, that exhaustion of partnership assets is excessively burdensome, or that the grant of permission is an appropriate exercise of the court's equitable powers; or

(e) Liability is imposed on the partner by law or contract independent of the existence of the partnership.

Section 11. Subsection (2) of section 620.8701, Florida Statutes, is amended to read:

620.8701 Purchase of dissociated partner's interest.—

(2) The buyout price of a dissociated partner's interest is the amount that would have been distributable to the dissociating partner under s. 620.8807(2) if, on the date of dissociation, the assets of the partnership were sold at a price equal to the greater of the liquidation value of the assets or the value of the assets based upon a sale of the entire business as a going concern without having the dissociated partner and the partnership were

wound wind up as of such date. Interest must be paid from the date of dissociation to the date of payment.

Section 12. Subsection (1) of section 620.8702, Florida Statutes, is amended to read:

620.8702 Dissociated partner's power to bind and liability to partnership.—

(1) For 1 year after a partner dissociates without resulting in a dissolution and winding up of the partnership business, the partnership, including a surviving partnership under ss. 620.8901-620.8908, is bound by an act of the dissociated partner which would have bound the partnership under s. 620.8301 before dissociation only if, at the time of entering into the transaction, the other party:

(a) Reasonably believed that the dissociated partner was then a partner;

(b) Did not have notice of the partner's dissociation; and

(c) Is not deemed to have had knowledge under s. 620.8303(4) ~~620.8303(5)~~ or notice under s. 620.8704(4).

Section 13. Subsection (2) of section 620.8703, Florida Statutes, is amended to read:

620.8703 Dissociated partner's liability to other persons.—

(2) A partner who dissociates without resulting in a dissolution and winding up of the partnership business is liable as a partner to any other party to a transaction entered into by the partnership, or a surviving partnership under ss. 620.8901-620.8908, within 1 year after the partner's dissociation only if the partner is liable for the obligation under s. 620.8306 and, at the time of entering into the transaction, the other party:

(a) Reasonably believed that the dissociated partner was then a partner;

(b) Did not have notice of the partner's dissociation; and

(c) Is not deemed to have had knowledge under s. 620.8303(4) ~~620.8301(5)~~ or notice under s. 620.8704(4).

Section 14. Subsection (3) of section 620.8704, Florida Statutes, is amended to read:

620.8704 Statement of dissociation.—

(3) A statement of dissociation is a limitation on the authority of a dissociated partner for purposes of s. 620.8303(4) and (5) ~~620.8303(5)~~ and (6).

Section 15. Section 620.8801, Florida Statutes, is amended to read:

620.8801 Events causing dissolution and winding up of partnership business.—A partnership is dissolved, and its business must be wound up, only upon the occurrence of any of the following events:



(1) In a partnership at will, the partnership's having notice from a partner, other than a partner who is dissociated under s. 620.8601(2)-(10), of such partner's express will to withdraw as a partner, or withdraw on a later date specified by the partner;

(2) In a partnership for a definite term or particular undertaking:

(a) Within The expiration of 90 days after a partner's dissociation by death or otherwise under s. 620.8601(6)-(10) or by wrongful dissociation under s. 620.8602(2), the express will of at least half unless before that time a majority in interest of the remaining partners to wind up the partnership business, for which purpose a partner's rightful dissociation, including partners who have rightfully dissociated pursuant to s. 620.8602(2)(b)1. constitutes the expression of that partner's will to wind up, agree to continue the partnership business;

(b) The express will of all of the partners to wind up the partnership's business; or

(c) The expiration of the term or the completion of the undertaking;

(3) An event agreed to in the partnership agreement resulting in the winding up of the partnership business;

(4) An event which makes it unlawful for all or substantially all of the business of the partnership to be continued, provided, a cure of the illegality, within 90 days after notice to the partnership of the event, is effective retroactively to the date of the event for purposes of this section;

(5) On application by a partner, a judicial determination that:

(a) The economic purpose of the partnership is likely to be unreasonably frustrated;

(b) Another partner has engaged in conduct relating to the partnership business which makes it not reasonably practicable to carry on the business in partnership with such partner; or

(c) It is not otherwise reasonably practicable to carry on the partnership business in conformity with the partnership agreement; or

(6) On application by a transferee of a partner's transferable interest, a judicial determination that it is equitable to wind up the partnership business:

(a) After the expiration of the term or completion of the undertaking, if the partnership was for a definite term or particular undertaking at the time of the transfer or entry of the charging order that gave rise to the transfer; or

(b) At any time, if the partnership was a partnership at will at the time of the transfer or entry of the charging order that gave rise to the transfer.

Section 16. Subsections (2) and (4) of section 620.8805, Florida Statutes, are amended to read:

## 620.8805 Statement of dissolution.—

(2) A statement of dissolution cancels a filed statement of partnership authority for purposes of s. ~~620.8303(3)~~ ~~620.8305(5)~~ and is a limitation on authority for purposes of s. 620.8303(4) ~~620.8303(6)~~.

(4) After filing and, if appropriate, recording a statement of dissolution, a dissolved partnership may file and, if appropriate, record a statement of partnership authority ~~that~~ which will operate with respect to a person who is not a partner, as provided in s. ~~620.8303(3)~~ and (4) ~~620.8303(5) and (6)~~, in any transaction, whether or not the transaction is appropriate for winding up the partnership business.

Section 17. Subsection (1) of section 620.8806, Florida Statutes, is amended to read:

## 620.8806 Partner's liability to other partners after dissolution.—

(1) Except as otherwise provided in subsection (2) and s. 620.8306, after dissolution, a partner is liable to the other partners for the partner's share of any partnership liability incurred under s. 620.8804.

Section 18. Subsections (2), (3), and (4) of section 620.8807, Florida Statutes, are amended to read:

## 620.8807 Settlement of accounts and contributions among partners.—

(2) Each partner is entitled to a settlement of all partnership accounts upon winding up the partnership business. In settling accounts among the partners, ~~any~~ profits and losses ~~that~~ which result from the liquidation of the partnership assets must be credited and charged to the partners' accounts. The partnership shall make a distribution to a partner in an amount equal to any excess of the credits over the charges in the partner's account but excluding from the calculation charges attributable to an obligation for which the partner is not personally liable under s. 620.8306. A partner shall contribute to the partnership an amount equal to any excess of the charges over the credits in the partner's account.

(3) If a partner fails to contribute the full amount required under subsection (2), all of the other partners shall contribute, in the proportions in which ~~those such~~ partners share partnership losses, the additional amount necessary to satisfy the partnership obligations for which they are personally liable under s. 620.8306. A partner or partner's legal representative may recover from the other partners any contributions the partner makes to the extent the amount contributed exceeds that ~~such~~ partner's share of the partnership obligations for which the partner is personally liable under s. 620.8306.

(4) After the settlement of accounts, each partner shall contribute, in the proportion in which the partner shares partnership losses, the amount necessary to satisfy partnership obligations that were not known at the time of the settlement and for which the partner is personally liable under s. 620.8306.

Section 19. Subsection (5) of section 620.8903, Florida Statutes, is amended to read:

620.8903 Conversion of limited partnership to partnership.—

(5) A limited partner who becomes a general partner as a result of a conversion remains liable only as a limited partner for an obligation incurred by the limited partnership before the conversion takes effect. Except as otherwise provided in s. 620.8306(3), the partner is liable as a general partner for an obligation of the partnership incurred after the conversion takes effect.

Section 20. Subsection (1) of section 620.8904, Florida Statutes, is amended to read:

620.8904 Effect of conversion; entity unchanged.—

(1) A partnership or limited partnership that has been converted pursuant to s. 620.8902 or s. 620.8903 ~~620.8908~~ is for all purposes the same entity that existed before the conversion.

Section 21. Subsection (3) of section 620.8906, Florida Statutes, is amended to read:

620.8906 Effect of merger.—

(3) A partner of the surviving partnership or limited partnership is liable for:

(a) All obligations of a party to the merger for which the partner was personally liable before the merger;

(b) All other obligations of the surviving entity incurred before the merger by a party to the merger, but such obligations may be satisfied only out of property of the surviving entity; and

(c) Except as otherwise provided in s. 620.8306, all obligations of the surviving entity incurred after the merger takes effect, but such obligations may be satisfied only out of property of the surviving entity if the partner is a limited partner.

Section 22. Subsections (5) and (6) of section 620.8907, Florida Statutes, are amended to read:

620.8907 Statement of merger.—

(5) A filed and, if appropriate, recorded statement of merger, executed and affirmed ~~declared~~ to be accurate pursuant to s. 620.8105(6) ~~620.8105(3)~~, stating the name of a partnership or limited partnership that is a party to the merger in whose name property was held before the merger and the name of the surviving entity, but not containing all of the other information required by subsection (2), operates with respect to the partnerships or limited partnerships named to the extent provided in subsection (4).

~~(6) A filed and, if appropriate, recorded statement of merger, executed and declared to be accurate pursuant to s. 620.8105(3), stating the name of a partnership or limited partnership that is a party to the merger in whose name property was held before the merger and the name of the surviving entity, but not containing all of the other information required by subsection (2), operates with respect to the partnerships or limited partnerships named to the extent provided in subsections (4) and (5).~~

Section 23. Section 620.9001, Florida Statutes, is created to read:

620.9001 Statement of qualification.—

(1) A partnership may become a limited liability partnership pursuant to this section.

(2) The terms and conditions on which a partnership becomes a limited liability partnership must be approved by the vote necessary to amend the partnership agreement except, in the case of a partnership agreement that expressly considers contribution obligations, the vote necessary to amend those provisions.

(3) After the approval required by subsection (2), a partnership may become a limited liability partnership by filing a statement of qualification. The statement must contain:

(a) The name of the partnership as identified in the records of the Department of State;

(b) The street address of the partnership's chief executive office and, if different, the street address of its principal office in this state, if there is one;

(c) The name and street address of the partnership's agent for service of process, who must be an individual resident of this state or other person authorized to do business in this state;

(d) A statement that the partnership elects to be a limited liability partnership; and

(e) A deferred effective date, if any.

(4) The status of a partnership as a limited liability partnership is effective on the later of the filing of the statement or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to s. 620.8105(7) or revoked pursuant to s. 620.9003.

(5) The status of a partnership as a limited liability partnership and the liability of its partners are not affected by errors or later changes in the information required to be contained in the statement of qualification under subsection (3).

(6) The filing of a statement of qualification establishes that a partnership has satisfied all conditions precedent to the qualification of the partnership as a limited liability partnership.

(7) An amendment or cancellation of a statement of qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.

Section 24. Section 620.9002, Florida Statutes, is created to read:

620.9002 Name.—The name of a limited liability partnership must end with “Registered Limited Liability Partnership,” “Limited Liability Partnership,” “R.L.L.P.,” “L.L.P.,” “RLLP,” or “LLP.”

Section 25. Section 620.9003, Florida Statutes, is created to read:

620.9003 Annual Report.—

(1) A limited liability partnership, and a foreign limited liability partnership authorized to transact business in this state, shall file an annual report in the office of the Secretary of State which contains:

(a) The name of the limited liability partnership and the state or other jurisdiction under whose laws the foreign limited liability partnership is formed;

(b) The current street address of the partnership’s chief executive office and, if different, the current street address of its principal office in this state, if there is one;

(c) The partnership’s Federal Employer Identification Number, if any, or, if none, whether one has been applied for; and

(d) The name and street address of the partnership’s current agent for service of process, who must be an individual resident of this state or other person authorized to do business in this state.

(2) An annual report must be filed between January 1 and May 1 of each year following the calendar year in which a partnership files a statement of qualification or a foreign partnership becomes authorized to transact business in this state.

(3) The Secretary of State may administratively revoke the statement of qualification of a partnership that fails to file an annual report when due or to pay the required filing fee. The Secretary of State shall provide the partnership at least 60 days’ written notice of intent to revoke the statement. The notice is effective 5 days after it is deposited in the United States mail addressed to the partnership at its chief executive office set forth in the last filed statement of qualification or annual report. The notice must specify the annual report that has not been filed, the fee that has not been paid, and the date on or after which the revocation will become effective. The revocation is not effective if the annual report is filed and the fee is paid before the effective date of the revocation.

(4) A revocation under subsection (3) affects only a partnership’s status as a limited liability partnership and is not an event of dissolution of the partnership.

(5) A partnership whose statement of qualification has been administratively revoked may apply to the Secretary of State for reinstatement within 2 years after the effective date of the revocation. The application must state:

(a) The name of the partnership and the effective date of the revocation; and

(b) That the ground for revocation either did not exist or has been corrected.

(6) A reinstatement under subsection (5) relates back to and takes effect as of the effective date of the revocation, and the partnership's status as a limited liability partnership continues as if the revocation had never occurred.

Section 26. Section 620.9101, Florida Statutes, is created to read:

620.9101 Law governing foreign limited liability partnership.—

(1) The law under which a foreign limited liability partnership is formed governs relations among the partners and between the partners and the partnership and the liability of partners for obligations of the partnership.

(2) A foreign limited liability partnership may not be denied a statement of foreign qualification by reason of any difference between the laws under which the partnership was formed and the laws of this state.

(3) A statement of foreign qualification does not authorize a foreign limited liability partnership to engage in any business or exercise any power that a partnership may not engage in or exercise in this state as a limited liability partnership.

Section 27. Section 620.9102, Florida Statutes, is created to read:

620.9102 Statement of foreign qualification.—

(1) Before transacting business in this state, a foreign limited liability partnership must comply with the requirements of s. 620.8105 and file a statement of foreign qualification. The statement must contain:

(a) The name of the foreign limited liability partnership which satisfies the requirements of the state or other jurisdiction under whose law it is formed and ends with "Registered Limited Liability Partnership," "Limited Liability Partnership," "R.L.L.P.," "L.L.P.," "RLLP," or "LLP";

(b) The street address of the partnership's chief executive office and, if different, the street address of its principal office in this state, if there is one;

(c) The name and street address of the partnership's agent for service of process who must be an individual resident of this state or other person authorized to do business in this state; and

(d) A deferred effective date, if any.

(2) The status of a partnership as a foreign limited liability partnership is effective on the later of the filing of the statement of foreign qualification or a date specified in the statement. The status remains effective, regardless of changes in the partnership, until it is canceled pursuant to s. 620.8105(7) or revoked pursuant to s. 620.9003.

(3) An amendment or cancellation of a statement of foreign qualification is effective when it is filed or on a deferred effective date specified in the amendment or cancellation.

Section 28. Section 620.9103, Florida Statutes, is created to read:

620.9103 Effect of failure to qualify.—

(1) A foreign limited liability partnership transacting business in this state may not maintain an action or proceeding in this state unless it has in effect a statement of foreign qualification.

(2) The failure of a foreign limited liability partnership to have in effect a statement of foreign qualification does not impair the validity of a contract or act of the foreign limited liability partnership or preclude it from defending an action or proceeding in this state.

(3) Limitations on personal liability of partners are not waived solely by transacting business in this state without a statement of foreign qualification.

(4) If a foreign limited liability partnership transacts business in this state without a statement of foreign qualification, the Secretary of State may accept substituted service of process, pursuant to the provisions of s. 48.181 with respect to actions arising out of the transaction of business in this state.

Section 29. Section 620.9104, Florida Statutes, is created to read:

620.9104 Activities not constituting transacting business.—

(1) Activities of a foreign limited liability partnership which do not constitute transacting business within the meaning of ss. 620.9101-620.9105 include:

(a) Maintaining, defending, or settling an action or proceeding;

(b) Holding meetings of its partners or carrying on any other activity concerning its internal affairs;

(c) Maintaining bank accounts;

(d) Maintaining offices or agencies for the transfer, exchange, and registration of the partnership's own securities or maintaining trustees or depositories with respect to those securities;

(e) Selling through independent contractors;

(f) Soliciting or obtaining orders, whether by mail or through employees or agents or otherwise, if the orders require acceptance outside this state before they become contracts;

(g) Creating or acquiring indebtedness, mortgages, or security interests in real or personal property;

(h) Securing or collecting debts or foreclosing mortgages or other security interests in property securing the debts, and holding, protecting, and maintaining property so acquired;

(i) Conducting an isolated transaction that is completed within 30 days and is not one in the course of similar transactions of like nature; and

(j) Transacting business in interstate commerce.

(2) For purposes of this act, the ownership in this state of income-producing real property or tangible personal property, other than property excluded under subsection (1), constitutes transacting business in this state.

(3) This section does not apply in determining the contacts or activities that may subject a foreign limited liability partnership to service of process, taxation, or regulation under any other law of this state.

Section 30. Section 620.9105, Florida Statutes, is created to read:

620.9105 Action by Attorney General.—The Attorney General may maintain an action to restrain a foreign limited liability partnership from transacting business in this state in violation of ss. 620.9101-620.9104.

Section 31. Section 620.187, Florida Statutes, is created to read:

620.187 Limited liability limited partnership.—

(1) A limited partnership may become a limited liability limited partnership by:

(a) Obtaining the approval of the terms and conditions of the limited partnership becoming a limited liability limited partnership by the vote necessary to amend the limited partnership agreement; however, in the case of a limited partnership agreement that expressly considers contribution obligations, the vote required is the vote necessary to amend those provisions;

(b) Filing a statement of qualification under s. 620.9001(3) of the Revised Uniform Partnership Act of 1995; and

(c) Complying with the name requirements of s. 620.9002 of the Revised Uniform Partnership Act of 1995.

(2) A limited liability limited partnership continues to be the same entity that existed before the filing of a statement of qualification under s. 620.9001(3) of the Revised Uniform Partnership Act of 1995.



(3) Sections 620.8306(3) and 620.8307(2) of the Revised Uniform Partnership Act of 1995 apply to both general and limited partners of a limited liability limited partnership.

Section 32. Subsections (7) and (14) of section 865.09, Florida Statutes, 1998 Supplement, are amended to read:

865.09 Fictitious name registration.—

(7) EXEMPTIONS.—A business formed by an attorney actively licensed to practice law in this state, or by a person actively licensed by the Department of Business and Professional Regulation or the Department of Health, for the purpose of practicing his or her licensed profession, or by any corporation, partnership, or other commercial entity that is actively organized or registered with the Department of State is not required to register its name pursuant to this section, unless the name under which business is to be conducted differs from the name as licensed or registered need not be registered under this section, notwithstanding that it transacts business ancillary to the practice of such profession.

(14) PROHIBITION.—A fictitious name registered as provided in this section may not contain the words “Corporation” or “Incorporated,” or the abbreviations “Corp.” or “Inc.,” unless the person or business for which the name is registered is incorporated or has obtained a certificate of authority to transact business in this state pursuant to chapter 607 or chapter 617. ~~However, a business incorporated or authorized under chapter 607 or chapter 617 is not required to register the corporate name pursuant to this section unless the name that the corporation intends to conduct business under differs from the corporation’s name as stated in its articles of incorporation.~~

Section 33. A registered limited liability partnership registered under ss. 620.78-620.789, Florida Statutes, immediately prior to the effective date of this act shall be treated as a partnership that has filed a statement of qualification under s. 620.9001, Florida Statutes, for all purposes, except as may be specifically provided in s. 620.8306(3), Florida Statutes, provided such a registered limited liability partnership is not required to file an annual report under s. 620.9003, Florida Statutes, until after December 31 following the effective date of this act.

Section 34. Section 620.90, Florida Statutes, is transferred and redesignated as section 620.9901, Florida Statutes.

Section 35. Section 620.91, Florida Statutes, is transferred and redesignated as section 620.9902, Florida Statutes.

Section 36. Sections 620.78, 620.781, 620.782, 620.783, 620.7851, 620.786, 620.787, 620.788, 620.7885, 620.7887 and 620.789, Florida Statutes, and section 620.784, Florida Statutes, 1998 Supplement, are repealed.

Section 37. This act shall take effect upon becoming a law.

Approved by the Governor June 8, 1999.

Filed in Office Secretary of State June 8, 1999.