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I N   A S S E M B L Y

January 13, 2016

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Introduced by M. of A. STECK -- read once and referred to the Committee  
on Corporations, Authorities and Commissions

AN ACT to amend the limited liability company law, in relation to  
liability of members for wages due to laborers, servants or employees  
by domestic and foreign limited liability companies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Subdivision (c) of section 609 of the limited liability  
2     company law, as added by chapter 537 of the laws of 2014, is amended to  
3     read as follows:  
4     (c) Notwithstanding the provisions of subdivisions (a) and (b) of this  
5     section, the ten members with the largest percentage ownership interest,  
6     as determined as of the beginning of the period during which the unpaid  
7     services referred to in this section are performed, of every DOMESTIC  
8     limited liability company, OR OF ANY FOREIGN LIMITED LIABILITY COMPANY,  
9     WHEN THE UNPAID SERVICES WERE PERFORMED IN THE STATE, shall jointly and  
10    severally be personally liable for all debts, wages or salaries due and  
11    owing to any of its laborers, servants or employees, for services  
12    performed by them for such limited liability company. Before such labor-  
13    er, servant or employee shall charge such member for such services, he  
14    or she shall give notice in writing to such member that he or she  
15    intends to hold such member liable under this section. Such notice shall  
16    be given within one hundred eighty days after termination of such  
17    services. An action to enforce such liability shall be commenced within  
18    ninety days after the return of an execution unsatisfied against the  
19    limited liability company upon a judgment recovered against it for such  
20    services. A member who has paid more than his or her pro rata share  
21    under this section shall be entitled to contribution pro rata from the  
22    other members liable under this section with respect to the excess so  
23    paid, over and above his or her pro rata share, and may sue them jointly  
24    or severally or any number of them to recover the amount due from them.  
25    Such recovery may be had in a separate action. As used in this subdivi-  
26    sion, "pro rata" means in proportion to percentage ownership interest.  
27    Before a member may claim contribution from other members under this

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 section, he or she shall give them notice in writing that he or she  
2 intends to hold them so liable to him or her.  
3 S 2. This act shall take effect on the sixtieth day after it shall  
4 have become a law.