

STATE OF NEW YORK

10354

IN ASSEMBLY

May 13, 2022

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Gallagher)
-- 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 for providing false or fraudulent information pertaining to beneficial owners of limited liability companies

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 215 of the limited liability company law, as added
2 by a chapter of the laws of 2022 amending the limited liability company
3 law relating to the disclosure of beneficial owners of limited liability
4 companies, as proposed in legislative bills numbers S. 8439-A and A.
5 9415-B, is amended by adding a new subdivision (d) to read as follows:

6 (d) Any person who: (1) knowingly provides false or fraudulent benefi-
7 cial ownership information; or (2) willfully fails to provide complete
8 or updated information shall be guilty of a misdemeanor and liable to
9 the state for a civil penalty of not more than ten thousand dollars and
10 shall be prohibited from organizing, forming, registering, or managing
11 any limited liability company or partnership in the state of New York
12 for a period not less than one year or greater than five years. The
13 department of state may withdraw or prohibit the authority of such enti-
14 ty to do business within the state for at least two years.

15 § 2. Section 810 of the limited liability company law, as added by a
16 chapter of the laws of 2022 amending the limited liability company law
17 relating to the disclosure of beneficial owners of limited liability
18 companies, as proposed in legislative bills numbers S. 8439-A and A.
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25 any limited liability company or partnership in the state of New York
26 for a period not less than one year or greater than five years. The

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

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1 department of state may withdraw or prohibit the authority of such enti-
2 ty to transact business within the state of New York for at least two
3 years.

4 § 3. This act shall take effect on the ninetieth day after a chapter
5 of the laws of 2022 amending the limited liability company law relating
6 to the disclosure of beneficial owners of limited liability companies,
7 as proposed in legislative bills numbers S. 8439-A and A. 9415-B, takes
8 effect.