

HB 125 -- CIRCUIT COURT AUTHORITY TO DISSOLVE COMPANIES

SPONSOR: Veit

Currently, a limited liability company (LLC) may be dissolved by a decree of the circuit court located in the county of the registered office of the LLC upon application by or for a member of the LLC when it is not reasonably practicable to carry on business in conformity with the operating agreement.

This bill expands this provision to also allow the court to dissolve an LLC:

- (1) When dissolution is reasonably necessary for protection of the rights or interests of complaining members;
- (2) When the business of the LLC has been abandoned;
- (3) The management of the LLC is deadlocked or subject to internal dissension;
- (4) The business operations of the LLC are substantially impaired;  
or
- (6) Those in control of the LLC have been found guilty of, or have knowingly allowed, persistent and pervasive fraud, mismanagement, or abuse of authority.

This bill is similar to HCS HB 1886 (2024).