



Testimony of Louise DiCocco
Assistant Counsel, CBIA
Before the Judiciary Committee
February 29, 2016

Re: Testimony in Support of HB 5259, AAC Adoption of the Connecticut Uniform Limited Liability Company Act.

Good afternoon Senator Coleman, Representative Tong, members of the Judiciary committee. Thank you for the opportunity to testify today. My name is Louise DiCocco, and I am Assistant Counsel at the Connecticut Business and Industry Association (CBIA). CBIA represents more than 10,000 companies throughout the state of Connecticut, but most of our members are small businesses of 50 or fewer employees.

CBIA supports HB5259, *AAC Adoption of the Connecticut Uniform Limited Liability Company Act*. (ULLCA). With the ULLCA, states will have a set of rules by which to regulate the formation, dissolution and overall regulation of LLC's. In Connecticut, there are as many as 7 times as many LLCs being formed as corporations. Because of the possible issues that may arise from states' varying laws, the ULLCA was created by the National Conference of Commissioners on Uniform State Laws in the 1990's to give states the benefit of some consistency in governing LLC's. It was revised in 2006 with language easier for the public to understand.

The ULLCA is more comprehensive, well written and modern than our current LLC act. The ULLCA represents a significant advancement in this area of law. Some of the benefits of adoption of this act include streamlined administration, which in turn is likely to reduce costs to states and decisive and predictable consistency across jurisdictions.

The final report of the Commission on Connecticut's Leadership in Corporation and Business Law to the General Assembly recommends "updating and revising the Connecticut LLC statutes patterned after the revised ULLCA. " As you are aware, the Commission was created during the 2014 legislative session (P.A. 14-89, sec. 50) to study and recommend measures Connecticut could implement over the next 10 years to attract businesses to operate and expand by making Connecticut a more business- friendly state.

CBIA is in support HB 5259 and urges the Judiciary committee to approve it. Thank you for your consideration. If you have any questions, please contact Louise DiCocco at louise.dicocco@cbia.com or 860244-1169.