

Table 1

Comparison of the Revised Uniform Limited Partnership Act (1976) and
the Uniform Limited Partnership Act (2001)

<p>Revised Uniform Limited Partnership Act (1976) with the 1985 Amendments (the “1976 Act”)</p>	<p>§703 Rights of Creditor On application to a court of competent jurisdiction by any judgment creditor of a partner, the court may charge the partnership interest of the partner with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the partnership interest. This [Act] does not deprive any partner of the benefit of any exemption laws applicable to his [or her] partnership interest.</p>
<p>The Uniform Limited Partnership Act (2001) (the “2001 Act”)</p>	<p>§703 Rights of Creditor of Partner or Transferee</p> <p>(a) On application to a court of competent jurisdiction by any judgment creditor of a partner or transferee, the court may charge the transferable interest of the judgment debtor with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of a transferee. The court may appoint a receiver of the share of the distributions due or to become due to the judgment debtor in respect of the partnership and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances of the case may require to give effect to the charging order.</p> <p>(b) A charging order constitutes a lien on the judgment debtor’s transferable interest. The court may order a foreclosure upon the interest subject to the charging order at any time. The purchaser at the foreclosure sale has the rights of a transferee.</p> <p>(c) At any time before foreclosure, an interest charged may be redeemed:</p> <ul style="list-style-type: none">(1) by the judgment debtor;(2) with property other than limited partnership property, by one or more of the other partners; or(3) with limited partnership property, by the limited partnership with the consent of all partners whose interests are not so charged. <p>(d) This [Act] does not deprive any partner or transferee of the benefit of any exemption laws applicable to the partner’s or transferee’s transferable interest.</p> <p>(e) This section provides the exclusive remedy by which a judgment creditor of a partner or transferee may satisfy a judgment out of the judgment debtor’s transferable interest.</p>

Table 2

States with Creditor's Rights Provision
Similar to the 1976 Act

State	Statutory Citation	Notes
Alabama	AL Code §10-9B-703	Legislation has been introduced to repeal the current limited partnership act and replace it with a new limited partnership act. 2007 AL H.B. 940.
Colorado	C.R.S.A. §7-62-703	
Connecticut	C.G.S.A. §34-30	
Georgia	O.C.G.A. §14-9-703	Adds a subsection (b): "The remedy conferred by this Code section shall not be deemed exclusive of others which may exist, including, without limitation, the right of a judgment creditor to reach the interest of a partner in the partnership by process of garnishment served on the partnership."
Illinois	805 I.L.C.S. §210/703	
Indiana	A.I.C. §23-16-8-3	
Kansas	K.S.A. §56-1a403	
Kentucky	K.R.S. §362.481	
Maryland	MD Corp & Assns §10-705	
Massachusetts	M.G.L.A. ch. 109 §41	
Michigan	M.C.L.A. §449.1703	
Mississippi	MS Code §79-14-703	
Missouri	V.A.M.S. §359.421	
Montana	M.C.A. §35-12-1103	
Nebraska	Neb.Rev. Stat. §67-273	
New Hampshire	N.H. Rev. Stat. §304-B:41	

State	Statutory Citation	Notes
New Jersey	N.J.S.A. §42:2A-48	
New Mexico	N.M.S.A. §54-2-42	Effective January 1, 2009, New Mexico is replacing its statutes with the 2001 Act. (to be found in N.M.S.A. §54A-7-703)
New York	NY Partnership §121-703	
North Carolina	N.C.G.S.A. §59-703	Adds the following after the first sentence: "The general partners shall have no liability to a partner for payments to a judgment creditor pursuant to this provision."
Ohio	OH R.C. §1782.41	
Oregon	O.R.S. §70.295	
Pennsylvania	15 Pa.C.S.A. §8563	
Rhode Island	RI Gen. Laws §7-13-41	
South Carolina	SC Code §33-42-1230	
Tennessee	T.C.A. §61-2-703	
Utah	U.C.A. §48-2a-703	
Vermont	11 V.S.A. §3463	
Washington	R.C.W.A. §25.10.410	
West Virginia	W.Va. Code §47-9-41	
Wisconsin	W.S.A. §179.63	Same as the 1976 Act, but deletes the final sentence regarding the availability of other exemption laws.
Wyoming	W.S. §17-14-803	
District of Columbia	DC Code §33-207.05	



Table 3

States with Creditor's Rights Provisions
Similar to the 2001 Act

State	Statutory Citation	Notes
Arkansas	A.C.A. §4-47-703	
California	Cal. Corp. Code §15522	<p>Although California's statute cannot be clearly classified, it is more similar in substance to the 2001 Act than to the 1976 Act because it is clear that remedies other than foreclosure are available.</p> <p>“(1) On due application to a court of competent jurisdiction by any creditor of a limited partner, the court may charge the interest of the indebted limited partner with payment of the unsatisfied amount of such claim; and may appoint a receiver, and make all other orders, directions, and inquiries which the circumstances of the case may require.</p> <p>(2) The interest may be redeemed with the separate property of any general partner, but may not be redeemed with the partnership property.</p> <p>(3) The remedies conferred by paragraph one shall not be deemed exclusive of others which may exist.</p> <p>(4) Nothing in this act shall be held to deprive a limited partner of his statutory exemption.”</p>
Hawaii	H.R.S. §425E-703	
Idaho	ID Code §53-2-703	
Iowa	I.C.A. §488.703	
Louisiana	La. Civil Code Art. 2801 <i>et seq.</i>	<p>Louisiana's partnership laws do not clearly address creditor remedies against a partner's limited partnership interest, and therefore are not properly classified as being similar to the 2001 Act. However, we have placed it in this table because other statutes in Louisiana's limited partnership act indicate that a partner's interest can be “attached” by the partner's creditors (La. Civil Code Art. 2819), which is more similar to the foreclosure concept found in the 2001 Act than the 1976 Act's silence on foreclosure.</p>
Maine	31 M.R.S.A. §1383	
Minnesota	M.S.A. §321.0703	
North Dakota	N.D.C.C. §45-17-04	

Table 4“Exclusive Remedy” States

State	Statutory Citation	Notes
Alaska	A.S. §32.11.340	<p>Alaska’s statute is similar to the 1976 Act’s provision, but adds:</p> <p>“This section provides the exclusive remedy that a judgment creditor of a general or limited partner or of the general or limited partner’s assignee may use to satisfy a judgment out of the judgment debtor’s interest in the partnership. Other remedies, including foreclosure on the general or limited partner’s partnership interest and a court order for directions, accounts, and inquiries that the debtor of a general or limited partner might have made, are not available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor’s interest in the limited partnership and may not be ordered by a court.”</p>
Arizona	A.R.S. §29-341	<p>Arizona’ statute is similar to the 1976 Act’s provision, but adds:</p> <p>“This section provides the exclusive remedy by which a judgment creditor of a partner may satisfy a judgment out of the judgment debtor’s interest in the partnership.”</p>
Florida	F.S.A. §620.1703	<p>Florida’s statute is similar to the 1976 Act, but adds:</p> <p>“This section provides the exclusive remedy which a judgment creditor of a partner or transferee may use to satisfy a judgment out of the judgment debtor’s interest in the limited partnership or transferable interest. Other remedies, including foreclosure on the partner’s interest in the limited partnership or a transferee’s transferable interest and a court order for directions, accounts, and inquiries that the debtor general or limited partner might have made, are not available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor’s interest in the limited partnership and may not be ordered by a court.”</p>
Nevada	N.R.S. §88.535	<p>Nevada’s statute is similar to the 1976 Act, but adds:</p> <p>“This section . . . provides the exclusive remedy by which a judgment creditor of a partner or an assignee of a partner may satisfy a judgment out of the partnership interest of the judgment debtor.”</p>

State	Statutory Citation	Notes
Oklahoma	54 Okl. St. Ann. §342	<p>Oklahoma’s statute is similar to the 1976 Act, but adds:</p> <p>“This section shall be the sole and exclusive remedy of a judgment creditor with respect to the judgment debtor’s partnership interest.”</p>
South Dakota	S.D.C.L. §48-7-703	<p>South Dakota’s statute is similar to the 1976 Act, but adds:</p> <p>“This section provides the exclusive remedy that a judgment creditor of a general or limited partner or of the general or limited partner’s assignee may use to satisfy a judgment out of the judgment debtor’s interest in the partnership. No other remedy, including foreclosure on the general or limited partner’s partnership interest or a court order for directions, accounts, and inquiries that the debtor, general or limited partner might have made, is available to the judgment creditor attempting to satisfy the judgment out of the judgment debtor’s interest in the limited partnership, and no other remedy may be ordered by a court.”</p>

Table 5“Ambiguous Exclusive Remedy” States

State	Statutory Citation	Notes
Delaware	6 Del. C. §17-703	In 2005, Delaware amended its limited partnership statute to make a charging order the “exclusive remedy” against a partnership interest and deleting the statute’s reference to foreclosure. However, the legislature preserved the portion of subsection (b) of the statute that makes a charging order a “lien on the judgment debtor's partnership interest.” Despite legislative history indicating that a creditor may obtain only a charging order, this ambiguity nonetheless gives creditors an argument that foreclosure is still a remedy in Delaware.
Texas	Vernon’s Ann. Texas Civ. St. Art. 6132a-1, §7.03	In 2007, Texas amended its statute to clearly state that “the entry of a charging order is the exclusive remedy by which a judgment creditor of a partner may satisfy a judgment out of the judgment debtor’s partnership interest” and deleting the statute’s references to foreclosure. However, this legislation also adds a provision which states that “a charging order constitutes a lien on the judgment’s debtor’s partnership interest.” Like Delaware’s statute, this ambiguity gives creditors an argument that foreclosure is still a remedy in Texas.
Virginia	VA Code Ann. §50-73.46:1	In 2006, Virginia amended its limited partnership statute to make a charging order the “exclusive remedy” against a limited partnership interest and deleting the statute’s references to foreclosure. However, the legislature preserved the portion of subsection (b) of the statute that makes a charging order a “lien on the judgment debtor's transferable interest in the limited partnership.” Like Delaware’s statute, this ambiguity gives creditors an argument that foreclosure is still a remedy in Virginia.