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## Client Alert: Governor DeSantis Signs SB 316 (2025), Allowing Formation of Florida Series LLCs Starting July 1, 2026

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On June 20, 2025, Florida Governor Ron DeSantis signed Senate Bill 316 into law, allowing the formation of domestic Protected Series Limited Liability Companies (Series LLCs), as well as recognizing out-of-state “foreign” series LLCs seeking to operate within Florida. The new law, which becomes effective on July 1, 2026, is set forth in Sections 605.2101 through 605.2802 of the Florida Revised Limited Liability Company Act.

### Brief Background

Series LLCs were first introduced by Delaware in 1996, and only a fraction of states have since enacted Series LLC legislation. In general, Series LLCs operate under an umbrella-style structure, wherein one Series LLC, sometimes referred to as the “parent” LLC, may form one or more internal entities, each known as “series” or “protected series.” Each series may independently hold assets, conduct operations, enter into contracts, and assume liabilities. This structure allows business owners to form an unlimited number of series within a single parent LLC (without having to form separate legal entities with the state), offering significant administrative and cost efficiencies. Most importantly, each series benefits from liability segregation, meaning that the debts, obligations, or liabilities of one series generally cannot be enforced against the parent LLC or any other series created by the parent LLC.

As an example, Series LLCs can be a useful tool for real estate investors who own multiple properties. Under this scenario, each property can be associated with a separate series within the parent LLC. If one of the series is involved in litigation—such as a slip and fall—the assets of the other series (and respective properties) or the parent LLC itself would not be exposed to such series’ creditors. Of course, real estate investors could form traditional LLCs to hold each property, but, depending on the state and circumstances, that might be a more expensive option and more of an administrative headache.

## Nuances of Florida Series LLCs

Florida's new legislation provides that a Series LLC may create one or more series by filing a "protected series designation" with the Florida Department of State. The name of each series is required to begin with the name of the Series LLC and include the phrase "protected series," or the abbreviation "P.S." or "PS." Each series may have different members, managers, purposes, assets, and liabilities distinct from the Series LLC under which the series is formed and the other series established by the Series LLC. The legislation further outlines various regulations for Series LLCs, including operations and governance, liability limitations, requirements related to service and notice, merger, and dissolution. Of note, Series LLCs are required to maintain clear recordkeeping to properly identify and describe the "associated assets" and "associated liabilities" of each specific series, such that a reasonable person could recognize the asset and understand the related transaction through which it was acquired or incurred. Failure to comply with these recordkeeping requirements may allow creditors of one series to pierce the protective veil of a Series LLC and hold the other series, and the parent LLC itself, liable for the specific series' debts.

The text of Senate Bill 316 (2025) is available [here](#).

For more information, please contact a member of our Corporate, Tax & Transactions Team.