

By: Rose

H.B. No. 2310

A BILL TO BE ENTITLED

AN ACT

relating to service of process on certain business organizations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section B, Article 2.11, Texas Business Corporation Act, is amended to read as follows:

B. Whenever a corporation shall fail to appoint or maintain a registered agent in this State, or whenever its registered agent cannot with reasonable diligence be found at the registered office and an officer, director, or manager of the corporation cannot with reasonable diligence be found in this State, then the Secretary of State shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the Secretary of State of any process, notice, or demand shall be made by delivering to and leaving with him, or with the Deputy Secretary of State, or with any clerk having charge of the corporation department of his office, duplicate copies of such process, notice, or demand. In the event any such process, notice, or demand is served on the Secretary of State, he shall immediately cause one of the copies thereof to be forwarded by registered mail, addressed to the corporation at its registered office. Any service so had on the Secretary of State shall be returnable in not less than thirty (30) days.

SECTION 2. Section 5.251, Business Organizations Code, is amended to read as follows:

1           Sec. 5.251. FAILURE TO DESIGNATE REGISTERED AGENT. The  
2 secretary of state is an agent of an entity for purposes of service  
3 of process, notice, or demand on the entity if:

4           (1) the entity is a filing entity or a foreign filing  
5 entity and:

6                   (A) the entity fails to appoint or does not  
7 maintain a registered agent in this state; or

8                   (B) the registered agent of the entity cannot  
9 with reasonable diligence be found at the registered office of the  
10 entity and an officer, director, or manager of the entity cannot  
11 with reasonable diligence be found in this state; or

12           (2) the entity is a foreign filing entity and:

13                   (A) the entity's registration to do business  
14 under this code is revoked; or

15                   (B) the entity transacts business in this state  
16 without being registered as required by Chapter 9.

17           SECTION 3. The change in law made by this Act applies only  
18 to the service of process, notice, or demand on an entity on or  
19 after the effective date of this Act. Service of process, notice,  
20 or demand before the effective date of this Act is covered by the  
21 law in effect on the date of the service, and the former law is  
22 continued in effect for that purpose.

23           SECTION 4. This Act takes effect September 1, 2007.