

1-1 By: Carona S.B. No. 323
1-2 (In the Senate - Filed January 7, 2011; February 2, 2011,
1-3 read first time and referred to Committee on Business and Commerce;
1-4 March 2, 2011, reported favorably by the following vote: Yeas 7,
1-5 Nays 0; March 2, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the applicability of certain laws governing
1-9 corporations to limited liability companies.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter A, Chapter 101, Business
1-12 Organizations Code, is amended by adding Section 101.002 to read as
1-13 follows:

1-14 Sec. 101.002. APPLICABILITY OF OTHER LAWS. (a) Subject to
1-15 Section 101.114, Sections 21.223, 21.224, 21.225, and 21.226 apply
1-16 to a limited liability company and the company's members, owners,
1-17 assignees, affiliates, and subscribers.

1-18 (b) For purposes of the application of Subsection (a):

1-19 (1) a reference to "shares" includes "membership
1-20 interests";

1-21 (2) a reference to "holder," "owner," or "shareholder"
1-22 includes a "member" and an "assignee";

1-23 (3) a reference to "corporation" or "corporate"
1-24 includes a "limited liability company";

1-25 (4) a reference to "directors" includes "managers" of
1-26 a manager-managed limited liability company and "members" of a
1-27 member-managed limited liability company;

1-28 (5) a reference to "bylaws" includes "company
1-29 agreement"; and

1-30 (6) the reference to "Sections 21.157-21.162" in
1-31 Section 21.223(a)(1) refers to the provisions of Subchapter D of
1-32 this chapter.

1-33 SECTION 2. This Act takes effect September 1, 2011.

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