

BILL ANALYSIS

H.B. 1581
By: Riddle
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, there is no requirement for a business entity operating under an assumed name to identify an agent for service of process within the assumed name certificate. Interested parties contend that the lack of such a requirement makes it difficult for citizens to determine the proper agent for service of process when it becomes necessary to initiate legal proceedings against such a business entity. These parties further contend that requiring such a business entity to provide the name and address of an agent for service of process would simplify the determination of the appropriate agent for service and facilitate proper notice to the parties. H.B. 1581 seeks to address this issue by providing for the inclusion of such information in an assumed name certificate.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1581 amends the Business & Commerce Code to require an assumed business or professional name certificate filed by an individual, partnership, or company to state the name and street address of the registrant's agent or registered agent, as applicable, for service of process, notice, or demand on the registrant. The bill requires such a registrant, if the registrant changes the registrant's agent for service of process included in the certificate, to file a statement of the change in the office of the county clerk in each county in which the registrant filed the certificate.

H.B. 1581 requires an assumed business or professional name certificate filed by a corporation, limited partnership, limited liability partnership, limited liability company, or foreign filing entity to state the name and street address of the entity's registered agent for service of process, notice, or demand on the registrant.

H.B. 1581 amends the Business Organizations Code to make a conforming change.

EFFECTIVE DATE

September 1, 2013.