

By: Taylor of Collin

S.B. No. 1973

A BILL TO BE ENTITLED

AN ACT

relating to the names of certain businesses.

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

SECTION 1. Section 5.051, Business Organizations Code, is amended to read as follows:

Sec. 5.051. ASSUMED NAME. A domestic entity or a foreign entity having authority to transact business in this state may transact business under an assumed name by filing an assumed name certificate in accordance with Chapter 71, Business & Commerce Code. Except as provided by Section 5.053, the ~~[The]~~ requirements of this subchapter do not apply to an assumed name set forth in an assumed name certificate filed under that chapter.

SECTION 2. Section 5.053, Business Organizations Code, is amended to read as follows:

Sec. 5.053. DISTINGUISHABLE ~~[IDENTICAL AND DECEPTIVELY SIMILAR]~~ NAMES REQUIRED ~~[PROHIBITED]~~. (a) The name of a ~~[A]~~ filing entity or the name under which ~~[may not have a name, and]~~ a foreign filing entity registers ~~[may not register]~~ to transact business in this state must be distinguishable from ~~[under a name, that is the same as, or that the secretary of state determines to be deceptively similar or similar to]~~:

- (1) the name of another existing filing entity;
- (2) the name of a foreign filing entity that is registered under Chapter 9;

1 (3) an assumed name for which a foreign filing entity
2 has an assumed name certificate under Chapter 71, Business &
3 Commerce Code;

4 (4) a name that is reserved under Subchapter C; or

5 (5) [~~4~~] a name that is registered under Subchapter
6 D.

7 (b) Subsection (a) does not apply if:

8 (1) the other entity or the person for whom the name is
9 reserved or registered, as appropriate, consents in writing to the
10 use of the [~~similar~~] name and files with the secretary of state an
11 amendment to the entity's certificate of formation or registration
12 changing the entity's name or files with the secretary of state a
13 written notice of withdrawal of the reservation or registration of
14 the name, as appropriate; or

15 (2) the filing entity or foreign filing entity
16 delivers to the secretary of state a certified copy of the final
17 judgment of a court of competent jurisdiction establishing the
18 entity's right to have the name.

19 SECTION 3. This Act takes effect June 1, 2016.