

By: Garcia

S.B. No. 1579

A BILL TO BE ENTITLED

AN ACT

1
2 relating to authorizing the secretary of state to terminate the
3 existence of a domestic filing entity if a substantial owner or
4 governing person of the entity has been convicted of human
5 trafficking or compelling prostitution.

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

7 SECTION 1. Section 11.251(b), Business Organizations Code,
8 is amended to read as follows:

9 (b) The secretary of state may terminate a filing entity's
10 existence if the secretary finds that:

11 (1) the entity has failed to, and, before the 91st day
12 after the date notice was mailed has not corrected the entity's
13 failure to:

14 (A) file a report within the period required by
15 law or pay a fee or penalty prescribed by law when due and payable;
16 or

17 (B) maintain a registered agent or registered
18 office in this state as required by law; ~~or~~

19 (2) the entity has failed to, and, before the 16th day
20 after the date notice was mailed has not corrected the entity's
21 failure to, pay a fee required in connection with the filing of its
22 certificate of formation, or payment of the fee was dishonored when
23 presented by the state for payment; or

24 (3) a person who has an ownership interest of at least

1 51 percent in the entity or a governing person of the entity has
2 been convicted of an offense under Section 20A.02, 20A.03, or
3 43.05, Penal Code.

4 SECTION 2. Section 11.251(b), Business Organizations Code,
5 as amended by this Act, applies to a filing entity only if an
6 offense described by that section is committed on or after the
7 effective date of this Act. If the offense was committed before the
8 effective date of this Act, the filing entity is governed by the law
9 in effect on the date the offense was committed, and the former law
10 is continued in effect for that purpose. For purposes of this
11 section, an offense was committed before the effective date of this
12 Act if any element of the offense occurred before that date.

13 SECTION 3. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2017.