

## **BILL ANALYSIS**

C.S.H.B. 1159  
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Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been noted that limited liability companies cannot utilize short forms for certificates of acknowledgment. C.S.H.B. 1159 seeks to address this issue by allowing a member, manager, authorized officer, or agent of a limited liability company to use a short form of a notary acknowledgment.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **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**

C.S.H.B. 1159 amends the Civil Practice and Remedies Code to establish a short form for certificates of acknowledgment for a limited liability company and to establish that a written instrument is acknowledged on behalf of a limited liability company by a member, manager, authorized officer, or agent acting for the company if such a person personally appeared before the officer taking the acknowledgment and acknowledged executing the instrument in the capacity stated as the act of the company for the purposes and consideration expressed in it. The bill includes an authorized officer or agent acting for a partnership among the persons who may make such an acknowledgement on behalf of the partnership in the same manner.

### **EFFECTIVE DATE**

September 1, 2019.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 1159 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes an agent of a limited liability company among the persons who may acknowledge a written instrument on behalf of such a company and includes an authorized officer or agent of a partnership among the persons who may do so on behalf of a partnership.

The substitute includes a specification, in the case of a partnership and a limited liability

company, that the applicable person must acknowledge having executed the instrument in the capacity stated.