

## **BILL ANALYSIS**

Senate Research Center  
86R6814 TSR-F

S.B. 1970  
By: Hancock  
Business & Commerce  
3/31/2019  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

#### Background

Under current law, a business entity using an assumed name must file an assumed name certificate with the secretary of state (SOS) and with the county clerk of the county in which the entity's registered office or principal place of business is located. Filings of assumed name certificates are available to the public online from the website of SOS. Texas is currently one of only two states in the United States that has a dual filing requirement at the state and local level for assumed name filings for filing entities.

#### Bill Analysis

S.B. 1970 amends the Business & Commerce Code to do away with this dual-filing requirement for corporations, LLCs, and certain partnerships. As amended, those entities would only be required to file assumed name certificates with SOS. County-level filings of assumed name certificates would continue to be required for joint ventures, general partnerships, real estate investment trusts, estates, sole proprietors and trusts.

As proposed, S.B. 1970 amends current law relating to the filing of an assumed name certificate by certain business entities.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 71.103(a), Business & Commerce Code, as follows:

(a) Requires a corporation, limited partnership, limited liability partnership, limited liability company, or foreign filing entity required to file a certificate under Section 71.101 (Certificate For Incorporated Business or Profession, Limited Partnership, Limited Liability Partnership, Limited Liability Company, or Foreign Filing Entity) to file the certificate in the Office of the Secretary of State (office), rather than requiring the corporation, limited partnership, limited liability partnership, limited liability company, or foreign filing entity to file the certificate in the office and in the office or offices of each county clerk as specified by Subsection (b) (relating to requiring an entity that maintains a registered office in this state to file the certificate in the office of the county clerk of the county based on certain location details of the entity's office) or (c) (relating to requiring an entity that does not maintain a registered office in this state to file the certificate in a certain manner based on the office's location).

SECTION 2. Repealer: Section 71.103(b) (relating to requiring an entity that maintains a registered office in this state to file the certificate in the office of the county clerk), Business & Commerce Code.

Repealer: Section 71.103(c) (relating to requiring an entity that does not maintain a registered office in this state to file the certificate with certain offices), Business & Commerce Code.

Repealer: Section 71.104(b) (relating to requiring a certificate filed in a county clerk's office to be executed and acknowledged in a certain manner), Business & Commerce Code.

SECTION 3. Makes the repeal by this Act of Sections 71.103(b) and (c) and 71.104(b), Business & Commerce Code, and the changes in law made by this Act to Section 71.103(a), Business & Commerce Code, prospective. Provides that, for purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 4. Effective date: September 1, 2019.