HB 1581 Riddle

SUBJECT: Requiring registrant's information on an assumed name certificate

COMMITTEE: Business and Industry — favorable, without amendment

VOTE: 6 ayes — Oliveira, Bohac, Orr, E. Rodriguez, Walle, Workman

1 nay — Villalba

WITNESSES: For — Holly Williamson, Harris County Justice of the Peace

Against — None

DIGEST: HB 1581 would add the name and street address of the registrant's agent

or registered agent on an assumed name certificate, for the purposes of service of process, notice, or demand on the registrant. Any changes of the registrant's agent would be filed with the county clerk's office. The bill would also change the definition of a "registered agent filing" in Business Organizations Code, sec. 5.200 to include an assumed name certificate.

The changes in the law would apply to assumed name certificates filed or renewed on or after the effective date of the bill. The bill would take effect September 1, 2013.

September 1, 2013

SUPPORTERS SAY:

The purpose of this bill is to require the contact information of these agents to enable ordinary citizens to process serve assumed name corporations. The bill would also enable these corporation registrants to receive notices and demands. This would simplify determining the appropriate agent for service and decrease time and resources wasted in attempting to locate the appropriate agent.

The bill would not increase the incidence of lawsuits as it does not create a new cause of action. All it would accomplish is making it easier for a citizen to obtain due process in just causes. Requiring this extra information would hardly impose an extra burden on business, as this only consists of an extra line on a form a corporation already has to provide to a county clerk.

Businesses do not presently have to identify an agent in an assumed name certificate. This information is therefore not immediately available to

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those seeking to process serve these business entities.

OPPONENTS SAY:

The bill would make it easier to process serve a business, which would increase the incidence of lawsuits. Adding this information would impose a burden on businesses. Additionally, the information is already included in the corporation's certificate of authority so this bill would be redundant.