BILL ANALYSIS

Senate Research Center 86R15032 BRG-D

H.B. 1159 By: Price et al. (Watson) State Affairs 4/27/2019 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been noted that limited liability companies cannot utilize short forms for certificates of acknowledgment. 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.

H.B. 1159 amends current law relating to the acknowledgement of a written instrument on behalf of a limited liability company or partnership.

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 121.006(b), Civil Practice and Remedies Code, as follows:

- (b) Defines "acknowledged," for purposes of an acknowledgement form, as:
 - (1) and (2) makes no changes to these subdivisions;
 - (3) in the case of a partnership by a partner, partners, authorized officer, or agent acting for the partnership, that the partner, partners, authorized officer, or agent personally appeared before the officer taking the acknowledgment and acknowledged executing the instrument in the capacity stated, as the act of the partnership, for the purposes and consideration expressed in it, rather than in the case of a partnership by a partner or partners acting for the partnership, that the partner or partners personally appeared before the officer taking the acknowledgment and acknowledged executing the instrument as the act of the partnership, for the purposes and consideration expressed in it;
 - (4) and (5) makes nonsubstantive changes to these subdivisions; and
 - (6) in the case of a limited liability company by a member, manager, authorized officer, or agent acting for the limited liability company, that the member, manager, authorized officer, or agent personally appeared before the officer taking the acknowledgment and acknowledged executing the instrument in the capacity stated, as the act of the limited liability company, for the purposes and consideration expressed in it.

SECTION 2. Amends Section 121.008(b), Civil Practice and Remedies Code, to set forth modifications to the required statements in short forms for certificates of acknowledgment relating to a partnership or a limited liability company.

SECTION 3. Effective date: September 1, 2019.