



HOUSE BILL 228: Postpone Assumed Name Revisions.

2017-2018 General Assembly

Committee: Senate Judiciary
Introduced by: Rep. Davis
Analysis of: Third Edition

Date: May 17, 2017
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Committee Counsel

OVERVIEW: *House Bill 228 would postpone the implementation of the Assumed Business Name Act for five months, as recommended by the General Statutes Commission.*

CURRENT LAW: Article 14 of Chapter 66, titled Business Under Assumed Name Regulated, governs the filing requirements for engaging in business under an assumed name. S.L. 2016-100 enacted a new Article 14A to modernize the laws governing the use of assumed business names. Article 14A was a recommendation by the General Statutes Commission.

Section 2 of S.L. 2016-100 enacted Article 14A of Chapter 66, effective July 1, 2017.

Section 3 through Section 9 of S.L. 2016-100 made conforming changes to other statute sections to coordinate with the new Article 14A.

BILL ANALYSIS:

Section 1 states the purpose of the bill, and further states that Article 14 of Chapter 66 shall apply until December 1, 2017.

Section 2 would modify the following deadlines for certificates of assumed name under Article 14:

- Expiration of certificates of assumed named under Article 14 from July 1, 2022 to December 1, 2022.
- Filing certificates of assumed named under Article 14 from July 1, 2017 to December 1, 2017.
- Filing cut-off date related to withdrawal, transfer, or amendment of a certificate of assumed name filed under Article 14 from July 1, 2017 to December 1, 2017.

Section 3 would modify an effective date for a conforming change in G.S. 1-69.1(a)(3), addressing a pleading requirement in legal proceedings, from July 1, 2021 to December 1, 2022.

EFFECTIVE DATE: House Bill 228 would be effective when it becomes law.

BACKGROUND: Article 14A establishes a statewide database of assumed business name information maintained by the Secretary of State. The database will not be operational by the current effective date of Article 14A.

Howard Marsilio, Staff Attorney, substantially contributed to this summary.

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