



# HOUSE BILL 228: Postpone Assumed Name Revisions.

2017-2018 General Assembly

|                       |   |                     |                              |
|-----------------------|---|---------------------|------------------------------|
| <b>Committee:</b>     | Senate Rules and Operations of the Senate | <b>Date:</b>        | May 22, 2017                 |
| <b>Introduced by:</b> | Rep. Davis                                | <b>Prepared by:</b> | Amy Darden<br>Staff Attorney |
| <b>Analysis of:</b>   | Third Edition                             |                     |                              |

**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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