## As Introduced

132nd General Assembly Regular Session 2017-2018

S. B. No. 179

## Senator LaRose Cosponsor: Senator Hackett

# A BILL

То	amend section 1705.06 and to enact section	1
	111.35 of the Revised Code to automatically	2
	dissolve a limited liability company under	3
	certain circumstances and to authorize the	4
	Secretary of State to implement an electronic	5
	notification system to alert a person if a	6
	business name containing a specific word has	7
	been registered.	8

### BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 1705.06 be amended and section	9
111.35 of the Revised Code be enacted to read as follows:	10
Sec. 111.35. The secretary of state may implement an	11
electronic notification system under which any person may	12
request to be notified if a business name containing a specific	13
word or words has been registered. For purposes of this section,	14
"person" has the same meaning as in section 1701.01 of the	15
Revised Code.	16
Sec. 1705.06. (A) Each limited liability company shall	17

maintain continuously in this state an agent for service of 18

process on the company. The agent shall be one of the following:	19
(1) A natural person who is a resident of this state;	20
(2) A domestic or foreign corporation, nonprofit	21
corporation, limited liability company, partnership, limited	22
partnership, limited liability partnership, limited partnership	23
association, professional association, business trust, or	24
unincorporated nonprofit association that has a business address	25
in this state. If the agent is an entity other than a domestic	26
corporation, the agent shall meet the requirements of Title XVII	27
of the Revised Code for an entity of the agent's type to	28
transact business or exercise privileges in this state.	29
(B)(1) The secretary of state shall not accept original	30
articles of organization of a limited liability company for	31
filing unless the articles are accompanied by both of the	32
following:	33
(a) A written appointment of an agent as described in	34
division (A) of this section that is signed by an authorized	35
member, manager, or other representative of the limited	36
liability company;	37
(b) A written acceptance of the appointment that is signed	38
by the designated agent on a form prescribed by the secretary of	39
state.	40
(2) In cases not covered by division (B)(1) of this	41
section, the limited liability company shall appoint the agent	42
described in division (A) of this section and shall file with	43
the secretary of state, on a form prescribed by the secretary of	44
state, a written appointment of that agent that is signed as	45
described in division (K) of this section and a written	
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agent.

(3) For purposes of divisions (B)(1) and (2) of this section, the filed written acceptance of an agent's appointment shall be a signed original document or a photocopy, facsimile, or similar reproduction of a signed original document.

(C) The written appointment of an agent described in division (A) of this section shall set forth the name of the agent and the agent's address in this state, including the street and number or other particular description of that address. It otherwise shall be in the form that the secretary of state prescribes. The secretary of state shall keep a record of the names of limited liability companies and the names and addresses of their agents.

(D) If any agent described in division (A) of this section dies, resigns, or moves outside of this state, the limited liability company shall appoint forthwith another agent and file with the secretary of state, on a form prescribed by the secretary of state, a written appointment of the agent and acceptance of appointment as described in division (B)(2) of this section.

(E) If the agent described in division (A) of this section
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changes the agent's address from the address stated in the
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records of the secretary of state, the agent or the limited
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liability company shall file forthwith with the secretary of
state, on a form prescribed by the secretary of state, a written
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statement setting forth the new address.

(F) An agent described in division (A) of this section may
resign by filing with the secretary of state, on a form
prescribed by the secretary of state, a written notice of
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resignation that is signed by the agent and by mailing a copy of 77 that notice to the limited liability company at the current or 78 last known address of its principal office. The notice shall be 79 mailed to the company on or prior to the date that the notice is 80 filed with the secretary of state and shall set forth the name 81 of the company, the name and current address of the agent, the 82 current or last known address, including the street and number 83 or other particular description, of the company's principal 84 office, a statement of the resignation of the agent, and a 85 statement that a copy of the notice has been sent to the company 86 within the time and in the manner specified in this division. 87 The authority of the resigning agent terminates thirty days 88 after the filing of the notice with the secretary of state. 89

(G) A limited liability company may revoke the appointment
of its agent described in division (A) of this section by filing
with the secretary of state, on a form prescribed by the
secretary of state, a written appointment of another agent and
an acceptance of appointment in the manner described in division
(B) (2) of this section and a statement indicating that the
appointment of the former agent is revoked.

(H) (1) Any legal process, notice, or demand required or
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permitted by law to be served upon a limited liability company
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may be served upon the company as follows:
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(a) If the agent described in division (A) of this section
is a natural person, by delivering a copy of the process,
notice, or demand to the agent;

(b) If the agent is not a natural person, by delivering a
copy of the process, notice, or demand to the address of the
agent in this state as contained in the records of the secretary
of state.

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(2) If the agent described in division (A) of this section 107 cannot be found or no longer has the address that is stated in 108 the records of the secretary of state or the limited liability 109 company has failed to maintain an agent as required by this 110 section and if the party or the agent or representative of the 111 party that desires service of the process, notice, or demand 112 files with the secretary of state an affidavit that states that 113 one of those circumstances exists and states the most recent 114 address of the company that the party who desires service has 115 been able to ascertain after a diligent search, then the service 116 of the process, notice, or demand upon the secretary of state as 117 the agent of the company may be initiated by delivering to the 118 secretary of state four copies of the process, notice, or demand 119 accompanied by a fee of five dollars. The secretary of state 120 shall give forthwith notice of that delivery to the company at 121 either its principal office as shown upon the secretary of 122 state's records or at any different address specified in the 123 affidavit of the party desiring service and shall forward to the 124 company at either address by certified mail, return receipt 125 requested, a copy of the process, notice, or demand. Service 126 upon the company is made when the secretary of state gives the 127 notice and forwards the process, notice, or demand as set forth 128 in division (H)(2) of this section. 129

(I) The secretary of state shall keep a record of each 130 process, notice, and demand that pertains to a limited liability 131 company and that is delivered to the secretary of state's office 132 under this section or another law of this state that authorizes 133 service upon the secretary of state in connection with a limited 134 liability company. In that record, the secretary of state shall 135 record the time of each delivery of that type and the secretary 136 of state's subsequent action with respect to the process, 1.37

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notice, or demand. 138 (J) This section does not limit or affect the right to 139 serve any process, notice, or demand upon a limited liability 140 company in any other manner permitted by law. 141 (K) The written appointment of an agent or a written 142 statement filed by the company with the secretary of state shall 143 be signed by an authorized member, manager, or other 144 representative of the company. 145 (L) Upon the failure of a limited liability company to 146 maintain an agent, or upon the failure of a limited liability 147 company or agent to file a statement of change of address of an 148 agent, the secretary of state shall give notice thereof by 149 ordinary or electronic mail to the company at the address 150 provided to the secretary of state. Unless the default is cured 151 within thirty days after the mailing or transmission of the 152 notice or within any further period of time that the secretary 153 of state grants, upon expiration of that period of time, the 154 articles of organization shall be canceled without further 155 notice or action by the secretary of state. The secretary of 156 state shall make a notation of the cancellation on the secretary 157 of state's records. 158 Section 2. That existing section 1705.06 of the Revised 159

Section 2. That existing section 1705.06 of the Revised159Code is hereby repealed.160