

SENATOR JEFF WENTWORTH

SENATE DISTRICT 25



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**COUNTIES IN
SENATE DISTRICT 25**

Bandera	Llano (part)
Bexar (part)	Mason
Blanco	Medina (part)
Comal (part)	Schleicher
Gillespie	Sutton (part)
Guadalupe (part)	Tom Green (part)
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Kerr	Williamson (part)
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JUN 16 1999

**Opinion Committee
The Senate of
The State of Texas**

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June 10, 1999

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JUN 16 1999

The Honorable John Cornyn
Attorney General of Texas
W. P. Clements Building
300 West 15th Street
Austin, Texas 78701

FILE # MW-40876-99
I.D. # 40876

ATTORNEY GENERAL'S OFFICE
big Robinson

7/7

VIA INTERAGENCY MAIL

RQ-0074-JC

Dear General Cornyn:

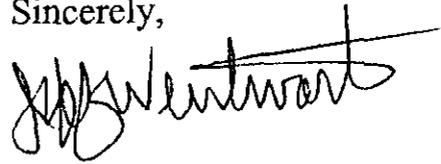
Under Section 5.17 of the Texas Business Corporation Act, a corporation may adopt a plan of conversion and convert to another type of business entity. Section 5.20 of the Texas Business Corporation Act details the effects of the conversion. Section 5.20 addresses the transfer of all rights, title, and interests to all real estate owned by the converting entity to the converted entity as well stating that all liabilities and obligations of the converting entity shall continue to be liabilities and obligations of the converted entity once the conversion takes effect.

The effect of a conversion on any state licenses held originally by the converting business entity is not specifically addressed by the Texas Business Corporation Act. Therefore, state agencies have different interpretations on whether a license held by the converting entity automatically transfers to the converted entity or whether further action is required. A uniform interpretation of the effect of a conversion from one business entity to another on a license held by the converting entity would be helpful to many license holders in my district.

The Honorable John Cornyn
June 10, 1999
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I respectfully request an opinion on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Wentworth". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Jeff Wentworth

JW/ml