

State Corporation Commission

2003 Fiscal Impact Statement

1. **Bill Number** HB1753

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Parrish

3. **Committee** Commerce and Labor

4. **Title** Names of business entities.

5. **Summary/Purpose:**

Names of business entities. Requires that the name of any corporation, limited liability company, business trust, or limited partnership be distinguishable upon the records of the State Corporation Commission from the name of any of these types of business entities.

6. **Fiscal Impact Estimates are:** Preliminary

6a. **Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2002-03			
2003-04	\$72,800		0217
2004-05			

7. **Budget amendment necessary:** No.

8. **Fiscal implications:** Under current conditions, the bill will require that a name distinguishability search be performed manually on every different type of business entity. This will require additional staff to perform, or extensive system computer modification to be made to accommodate this. It is estimated that the modification effort will take one full time programmer/analyst six man months (1,040 hours x \$70 an hour = \$72,800). This year, the Clerk's Office is planning to develop a new Uniform Commercial Code system due to mandated legislation and to gain process efficiencies in a very manual labor intensive operation. The Clerk's Office plans to begin development of a new business entity system in fiscal year 2004 -2005.

9. **Specific agency or political subdivisions affected:** State Corporation Commission's Clerk's Office and its Information Technology Division.

10. **Technical amendment necessary:** No.

11. **Other comments:** The new business entity system will search automatically and provide "all" business entity names that are similar to the one we enter into the system. This will be the most efficient and accurate method of searching.

Date: 01/17/03/JHP

cc:SecretaryofCommerceandTrade