

State Corporation Commission

2004 Fiscal Impact Statement

1. Bill Number SB538

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed
Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron Stosch

3. Committee Commerce and Labor

4. Title Business entities; changes in provisions.

5. Summary/Purpose:

Business Entities. Amends the Stock Corporation Act, the Nonstock Corporation Act, the Limited Partnership Act, the Limited Liability Company Act, the Business Trust Act, and the Limited Liability Partnership Act to clarify provisions relating to the reinstatement of administratively terminated entities. The changes also (i) authorize limited liability company operating agreements to provide for contractual appraisal rights, arbitration and exclusive jurisdiction, and multiple classes of members and managers; (ii) clarify the liability of limited liability companies to indemnify members, managers, and other agents; (iii) permit limited liability companies to engage in any business, purpose, or activity, regardless of whether the activity constitutes a business; and (iv) conform charging order provisions of the limited liability company, limited partnership, and partnership statutes. Also makes other technical changes to the limited liability company, partnership, and limited partnership acts.

6. Fiscal Impact Estimates are estimated

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2003-04	\$15,120		

7. Budget amendment necessary: No

8. Fiscal implications: Minimal on the State Corporation Commission's Clerk's Office

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

10. Technical amendment necessary: No

11. Other comments: This bill requires several modifications to the Clerk's Information System (27 days x 8 hours = 216 x \$70/hr = \$15,120).

Date: 02/19/2004 JHPeck

cc: Secretary of Commerce and Trade