

State Corporation Commission

2007 Fiscal Impact Statement

1. Bill Number HB2142

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

2. Patron Kilgore

3. Committee Passed Both Houses

4. Title Limited partnerships and partnerships.

5. Summary/Purpose: Limited partnerships and partnerships. Prohibits the transaction of business as a limited partnership unless the business is a Virginia limited partnership or a foreign limited partnership registered to transact business in Virginia. The measure includes numerous technical amendments that ensure that terminology in the Virginia Limited Partnership Act and Partnership Act conforms to provisions of other Virginia business entity laws. Other provisions centralize and expand the delayed effective date provisions for Virginia limited partnership organizational documents; move the provisions for the conversion of a partnership to a limited partnership to the Limited Partnership Act; amend the filing fees for limited partnership and registered limited liability partnership amendments and cancellations; and transfer responsibility for the filing of amended and restated certificates of limited partnership in circuit court from the Commission to the limited partnership.

6. Fiscal Impact Estimates are: Final

6a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2006-07 | \$11,200 | | |
| 2007-08 | 0 | | |

6b. Revenue Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2006-07 | | | |
| 2007-08 | (\$2,000) | | |
| 2008-09 | (\$2,000) | | |
| 2009-10 | (\$2,000) | | |
| 2010-11 | (\$2,000) | | |
| 2011-12 | (\$2,000) | | |
| 2012-13 | (\$2,000) | | |

7. Budget amendment necessary: No

8. Fiscal implications: To bring the filing fees for LP and RLLP amendments, corrections and cancellations in line with fees paid by corporations and LLCs. (4 weeks x 1 programmer (160 hours x \$70/hr = \$11,200)

The Clerk's Office expects a \$7,000 annual reduction of income from changing the filing fee for LP and RLLP amendments from \$50 to \$25 and a \$5,000 annual increase of income from changing the filing fees for LP corrections and cancellations from \$10 to \$25, for a net annual loss of \$2,000.

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

10. Technical amendment necessary: No

11. Other comments: This bill was introduced at the request of the State Corporation Commission's Clerk's Office.

Date: 2/26/07 JHP

cc: Secretary of Commerce and Trade