

State Corporation Commission 2007 Fiscal Impact Statement

1. Bill Number SB1286

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron Stosch

3. Committee Passed Both Houses

4. Title Virginia Nonstock Corporation Act.

5. Summary/Purpose: Virginia Nonstock Corporation Act. Updates the Virginia Nonstock Corporation Act to make several provisions consistent with changes to the Virginia Stock Corporation Act that were enacted in 2005, based upon recent amendments to the Model Business Corporation Act. Specific areas of substantive change include setting forth procedures for the approval of a business opportunity; defining “disinterested director”” permitting several corporate actions to be taken electronically; updating provisions regarding member voting and elections; staggering the terms of directors; indemnifying directors and officers; streamlining the process for combining corporations with other types of business entities; asserting claims against dissolved corporations; and confirming that provisions in corporate documents filed with the State Corporation Commission may be made dependent on statistical or market indices or other objectively ascertainable facts.

6. No Fiscal Impact on state agencies

7. Budget amendment necessary: No.

8. Fiscal implications: None on state agencies.

9. Specific agency or political subdivisions affected:

10. Technical amendment necessary: Please see Item # 11 below.

11. Other comments: This bill amends the exact provisions in some sections of the Code of Virginia amended by other bills; the amendments are not the same. This bill also amends one section repealed by another bill.

Date: 2/27/07 JHP

cc: Secretary of Commerce and Trade