

State Corporation Commission 2009 Fiscal Impact Statement

1. Bill Number: SB903

House of Origin	<u>X</u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Stosch

3. Committee: Senate Floor

4. Title: Indemnification of corporate directors and officers.

5. Summary: Indemnification of corporate directors and officers. Affirms that a director or officer of a stock or nonstock corporation, for purposes of prescribing the corporation's authority to indemnify an individual made a party to a proceeding, includes an individual who is or was a director or officer of a corporation or who, while a director or officer of the corporation, is or was serving at the corporation's request as a director, officer, manager, partner, trustee, employee, or agent of another foreign or domestic entity. The provision is made effective retroactive to the effective date of amendments that implied that indemnification was available only for directors or officers who were serving at the corporation's request as a director, officer, manager, partner, trustee, employee, or agent of another entity.

6. Fiscal Impact Estimates: None on the State Corporation Commission

7. Budget Amendment Necessary: No

8. Fiscal Implications: None on the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: None

10. Technical Amendment Necessary: No

11. Other Comments: This bill was initiated by the Business Law Section Council of the Virginia Bar Association. The purpose of the legislation is to add to §§ 13.1-696 and 13.1-875 language that was apparently inadvertently removed when these sections were amended in 2005 and 2007, respectively.

This bill was reported from the Committee on Commerce and Labor on January 19, 2009.

Date: 1/20/2009 Joel Peck
cc: Secretary of Commerce and Trade