

State Corporation Commission 2020 Fiscal Impact Statement

1. Bill Number: HB1149

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

2. Patron: Keam

3. Committee: Commerce and Labor

4. Title: Virginia Stock Corporation Act.

5. Summary: **Virginia Stock Corporation Act.** Makes clarifying and technical changes to the Virginia Stock Corporation Act. Many of the bill's provisions revise the legislation enacted in the 2019 Session that comprehensively updated the Act in accordance with the Model Business Corporation Act and that is scheduled to become effective on July 1, 2020. Several of the bill's provisions address the documentation required to be filed when a corporation converts to another type of business entity. The measure also repeals a section that provides that a foreign corporation authorized to transact business in the Commonwealth that domesticates to a domestic corporation is deemed to have withdrawn its certificate of authority when the certificate of domestication becomes effective, as it is duplicative of provisions addressed in this bill.

6. Budget Amendment Necessary: No. See Item # 8.

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission. See Item # 8.

8. Fiscal Implications: No fiscal implications on the State Corporation Commission are anticipated. (It is estimated that this legislation will not add to the costs that were anticipated for Chapter 734 (House Bill 2478) of the 2019 Acts of Assembly. Most provisions of Chapter 734 of the 2019 Acts of Assembly become effective on July 1, 2020.)

9. Specific Agency or Political Subdivisions Affected: None.

10. Technical Amendment Necessary: No.

11. Other Comments: Substitute adds minor changes recommended by the Virginia Bar Association.