

State Corporation Commission

2002 Fiscal Impact Statement

1. **Bill Number** SB254

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

2. **Patron** Wampler

3. **Committee** Senate Floor

4. **Title** Corporations; domestication and conversion, fees.

5. **Summary/Purpose:**

Corporations; domestication and conversion; fees. Changes from July 1, 2002, to February 1, 2002, the effective date of legislation enacted in 2001 that adopted certain Revised Model Business Corporations Act procedures. This bill has an emergency clause.

6. **Fiscal Impact Estimates are:** Preliminary

6a. **Expenditure Impact:**

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2001-02 | 100,000 | | 0217 |
| 2002-03 | | | |
| 2003-04 | | | |

7. **Budget amendment necessary:** No.

8. **Fiscal implications:** The added cost to the SCC results from compressing into the next two weeks the scheduled five month planning for changes to the CIS, the computer system used to process, store and retrieve business entity data and to calculate and track fee payments handled by the Clerk's Office. Meeting the proposed new February 1st deadline will require considerable staff time and may involve bringing on technical consultants to accomplish the work in time, much of it occurring during nights and weekends when CIS is not being used for normal day to day corporate activity and transactions. See comments in number 11 regarding Senate amendment.

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

10. **Technical amendment necessary:** No.

11. **Other comments:** This bill has an emergency clause and contemplates on February 1, 2002 effective date; however, the Senate adopted an amendment which should address the concerns of the Clerk's Office. See Fiscal Impact Statement for the engrossed bill for a revised fiscal estimate on the Clerk's Office.

Date: 01/18/02/JHP

cc:SecretaryofCommerceandTrade