

## State Corporation Commission 2009 Fiscal Impact Statement

**1. Bill Number:** HB2445

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:** Sickles

**3. Committee:** Commerce and Labor

**4. Title:** Stock and nonstock corporations.

**5. Summary:** Stock and nonstock corporations. Conforms provisions of the Stock and Nonstock Corporation Acts regarding names, mergers, and terminations with similar provisions applicable to other business entity forms, and makes technical amendments. An uncodified provision enacted in 1946 that prohibits the use of the word “redevelopment” in a corporate name that is not organized as an urban redevelopment corporation is set out. Other provisions (i) allow the filing of a foreign instrument of entity conversion to be filed without payment of a qualified foreign corporation’s annual registration fee on or before the due date, similar to the treatment afforded to a Virginia corporation that converts to a Virginia limited liability company; (ii) provide an exception to the requirement that a plan of merger, which is subject to an amendment, include certain provisions to protect shareholders when the plan of merger provides that the approval of all of the shareholders is required for the plan’s amendment; (iii) require articles of merger to include a statement that the plan of merger was adopted by the directors if shareholder approval is not required and provide that the articles are to include the date the plan was adopted by the corporation, regardless of the method of adoption; and (iv) conform provisions of the corporate law regarding the termination of corporate existence.

**6. Fiscal Impact Estimates:** None on state agencies.

**7. Budget Amendment Necessary:** No.

**8. Fiscal Implications:** None on state agencies.

**9. Specific Agency or Political Subdivisions Affected:** State Corporation Commission’s Clerk’s Office

**10. Technical Amendment Necessary:**

**11. Other Comments:** The bill was introduced at the request of the State Corporation Commission’s Clerk’s Office.

Date: 1/22/09

Cc: Secretary of Commerce and Trade