

State Corporation Commission 2011 Fiscal Impact Statement

1. Bill Number: HB1730

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Massie

3. Committee: Commerce and Labor

4. Title: Moratorium on filing fees for business entities.

5. Summary: Moratorium on filing fees for business entities. Provides that the State Corporation Commission shall not collect any filing fee, charter fee, or entrance fee for filing certain documents regarding domestic or foreign stock or nonstock corporations, limited liability companies, and limited partnerships. The measure expires July 1, 2012. The measure will take effect 21 days from enactment.

6. Budget Amendment Necessary:

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications: The following estimates are based on the provisions of the bill becoming effective on March 1, 2011, and expiring on July 1, 2012 (16 months). The Clerk's Office preliminary estimate for the total revenue loss for the 16-month period is approximately \$8,900,000. Of this amount, about \$4.2 million go directly to the general fund and \$4.7 million go to a special fund. The special fund revenues are distributed as follows – 75% of the revenues go to the general fund and 25% are available to fund the operations of the Clerk's Office of the State Corporation Commission. Thus, the projected total general fund loss will be \$7,725,000 between March 1, 2011, and June 30, 2012.

The projected loss of revenues to the general fund and the Clerk's Office, respectively, for the period of March 1, 2011 through June 30, 2011, is \$1,927,000 and \$305,400.

The projected loss of revenues to the general fund and the Clerk's Office, respectively, for the period of July 1, 2011 through June 30, 2012, is \$5,780,750 and \$916,300.

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

10. Technical Amendment Necessary: No

11. Other Comments: The bill was stricken from the docket on January 18, 2011,

Date: 1/18/11 JP