

State Corporation Commission 2016 Fiscal Impact Statement

1. Bill Number: HB1227

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|------------------------|--|-------------------------------------|------------------------------------|
| 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: Davis

3. Committee: Committee Referral Pending

4. Title: Securities Act; registration exemptions.

5. Summary: Securities Act; registration exemptions. Establishes an exemption for any offer or sale of a security that is conducted in accordance with Tier 2 of federal Regulation A promulgated under § 3(b)(2) of the Securities Act of 1933. The measure requires the State Corporation Commission (SCC) to prescribe any filings with it of notices, renewals, and other materials. The measure authorizes the SCC to assess a filing fee. The Commission is further required to provide information on its website regarding the differences between this exemption and the crowdfunding exemption enacted in 2015.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: The fiscal impact is expected to be insignificant. Estimates are not available.

8. Fiscal Implications: The legislation will require a slight modification to the division's computer database. There will be an insignificant increase in revenue. The State Corporation Commission will need to promulgate a regulation.

9. Specific Agency or Political Subdivisions Affected: Securities & Retail Franchising Division of the State Corporation Commission.

10. Technical Amendment Necessary: None

11. Other Comments: None

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