

## State Corporation Commission 2016 Fiscal Impact Statement

**1. Bill Number:** HB130

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

**2. Patron:** Webert

**3. Committee:** Commerce and Labor

**4. Title:** Limited liability companies; series.

**5. Summary:** Limited liability companies; series. Authorizes an operating agreement of a limited liability company (LLC) to establish or provide for the establishment of a designated series of members, managers, or interests having separate rights, powers, or duties with respect to specified property or obligations of the LLC or profits and losses associated with specified property or obligations. The debts, liabilities, and obligations incurred, contracted for, and otherwise existing with respect to a series shall be enforceable only against the assets of that series and not against the assets of the LLC generally or any other series of the LLC. The measure requires a series with limited liability to be treated as a separate entity as set forth in the articles of organization and allows the series to conduct business and exercise the powers of an LLC. An operating agreement can provide for classes or groups of members or managers associated with a series having the rights, powers, and duties as provided in the agreement. The measure also specifies the requirements for foreign LLCs that have established a series to register to do business in the Commonwealth. The measure also specifies that the information that an LLC is required to provide in its articles of organization shall also be specified for each separate series of the LLC and that the information that a foreign LLC is required to provide in its application for registration as a foreign LLC shall also be specified for each separate series of the LLC.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Fiscal Impact estimate on the State Corporation Commission's Clerk's Office is preliminary. See Item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2016			
2017	(148,200)		
2018			

**8. Fiscal Implications:** There will be a total one-time computer programming cost of \$ 148, 200 that will be realized in fiscal year 2017.

**9. Specific Agency or Political Subdivisions Affected:** State Corporation Commission

**10. Technical Amendment Necessary:** No

**11. Other Comments:**

1/12/16 JPeck