

Department of Planning and Budget

2020 Fiscal Impact Statement

1. Bill Number: HB55

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: Carter

3. Committee: Labor and Commerce

4. Title: Worker cooperatives; established as a category of cooperative associations.

5. Summary: Establishes worker cooperatives as a category of cooperative associations. A worker cooperative is a stock corporation that has elected to be governed by provisions established by this measure, which include (i) conducting its business primarily for the mutual benefit of its members, (ii) allowing only current and retired employees to be members, (iii) limiting voting rights to current employees, (iv) providing that each employee is entitled to one vote, (v) prohibiting any person from owning more than one membership share, (vi) requiring at least two-thirds of employees to own membership shares, and (vii) requiring that net earnings be paid or credited to members in accordance with the ratio that each member's amount of work performed during a period bears to the total amount of work performed by all members during that period.

6. Budget Amendment Necessary: No.

7. No Fiscal Impact

8. Fiscal Implications: The proposed legislation is not expected to have a state fiscal impact.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.