

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 408** HLS 13RS 606

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: May 28, 2013	1:35 PM	Author: FOIL
Dept./Agy.: Secretary of State		Analyst: Evelyn McWilliams
Subject: Revision of Business Corporation Laws		

CORPORATIONS

RE1 INCREASE SG EX See Note

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Revises the business corporation laws

This legislation revises the business corporation laws. Effective January 1, 2015.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total		\$0	\$0	\$0	\$0	\$0

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Implementation of the proposed legislation will result in an indeterminable one-time expenditure in fees and self-generated revenues within the Secretary of State's Office. The anticipated expenditures will provide for a contractor to perform programming changes to the Commercial Program's corporations database, application and web pages. The agency estimates approximately 8,000 hours of programming at \$100 per hour will be required, or \$800,000.

The Legislative Fiscal Office is unable to corroborate the estimated 8,000 hours of programming costs as a result of the proposed legislation. However, the LFO is working with the Secretary of State to determine if the anticipated 8,000 hours of contractor costs is a reasonable expenditure expectation of this bill.

The legislation provides for enactment of an updated or modern business corporations act, that is based on recommendations from the Louisiana Law Institute.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure as the proposed legislation does not modify any fees collected by the Secretary of State in current statutes.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director