

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0582-05
Bill No.: HCS No. 2 for SB 123
Subject: Boards, Commissions, Committees, Councils; Corporations; Secretary of State;
Securities
Type: Original
Date: April 22, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS) - Securities Division** assume the proposal will have no fiscal impact on their organization.

Officials from the **SOS - Division of Business Services** state there will be a positive economic impact of \$55 to any small business meeting the requirements of Section 351.488. However, this will result in a reduction of \$55 per affected business to the General Revenue Fund and the Technology Fund. The SOS assumes approximately ten (10) business may be impacted by this proposal. The General Revenue Fund will incur a loss of \$500 (10 businesses X \$50) and the Technology Fund will incur a loss of \$50 (10 businesses X \$5).

Oversight assumes the SOS will be able to absorb the minimal fiscal impact of this proposal with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal may have a minimal fiscal impact to small businesses dissolved for failure to file an annual registration due to military service.

DESCRIPTION

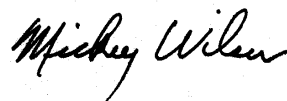
The proposal allows a corporation to specify that classes or series of its stock will be uncertificated shares. Corporations must, upon request, furnish to holders of uncertificated shares information regarding the voting powers, designations, and preferences, as well as relative, participating, optional, or other special rights of each class of stock.

If a corporation is administratively dissolved for failure to file an annual registration report and the Secretary of State determines that the failure was due to military service, the substitute authorizes the Secretary of State to waive the reinstatement fees and other associated penalties, cancel the certificate of dissolution, prepare a certificate of reinstatement, and provide a copy to the corporation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Secretary of State -
Division of Business Services
Securities Division



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April 22, 2005

HW-C:LR:OD (12/02)