

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 11, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1737 by Giddings (Relating to business entities and associations.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Texas Business Organizations Code. These technical amendments would correct errors in the Code; clarify Code provisions which have been difficult to understand, apply or use; fill gaps where the Code failed to provide necessary direction or address issues adequately; and clarify the procedures to elect early adoption of the Code by entities that existed prior to the effective date of the Code. In addition, there are some more substantive changes to Code provisions to address concerns expressed by legal practitioners. Implementation of the amendments can be made by the Secretary of State with minor revisions to its forms and procedures and without the necessity of adding staff or making significant modification, if any, to its automated systems. Enactment of the amendments would enhance and make easier administration and filing documents under the Code with the Secretary of State. Consequently, there will be no significant fiscal impact to the Secretary of State as a result of the passage of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, JRO, MS