

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version:	CSHB 49(L&C)
Fiscal Note Number:	2
(H) Publish Date:	4/6/2015

Identifier: CSHB049-DCCED-CBPL-03-13-15
Title: BENEFIT CORPORATIONS
Sponsor: SEATON
Requester: (H) FINANCE

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2016	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2016 Request	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
OPERATING EXPENDITURES	FY 2016	FY 2016					
Personal Services							
Travel							
Services	11.9						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	11.9	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1005 GF/Prgm	11.9						
Total	11.9	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2015) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/16

Why this fiscal note differs from previous version:

CSHB 49 amends HB 49 to decrease the extent of the program system changes to the corporations database.

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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

Analysis

CSHB 49 will add a new chapter to AS 10 Alaska corporation code, Chapter 60 Benefit Corporations which allows a new or existing corporation organized under AS 10.06 or AS 10.45 to become a benefit corporation. In addition, it amends AS 10.06.633 to allow for the administrative dissolution of a benefit corporation if it fails to file or pay the filing fee for a benefit report.

In addition to its purpose under AS 10.06, a benefit corporation shall have a purpose of creating a general public benefit from the business and operations of the benefit corporation. General public benefit means a material positive effect on people and their surroundings, taken as a whole, assessed against a third-party standard.

A benefit corporation may also identify one or more specific public benefit purposes which means a benefit which serves a public welfare, religious, charitable, scientific, literary, or educational purpose, or another purpose beyond the strict interest of the shareholders of the benefit corporation.

In addition to the establishment of this corporation type, this bill will create new criteria under AS 10.60 which may amend an existing business corporation or professional corporation's status as a benefit corporation.

CSHB49 amends HB49 to require the benefit report to be part of the biennial report.

The Corporation Section database will need modification to allow for the adding and removing of a benefit corporation status, the associated reports and officials required for a benefit corporation.

If the bill passes, the following expenses will be incurred:

- \$9.4 in one-time information technology costs to modify the licensing database;
- \$2.5 in legal cost to amend regulations, printing, and postage.

Corporation licensing fees in the Division of Corporations, Business and Professional Licensing are funded by general fund program receipts, fund source 1005 GF/Prgm (DGF). Corporation fees are set per Title 10; revenue in excess of authorized budgeted expenses reverts to the State of Alaska general fund.