

February 1, 2017

The Honorable Blaine Finch, Chairperson
House Committee on Judiciary
Statehouse, Room 519-N
Topeka, Kansas 66612

Dear Representative Finch:

SUBJECT: Fiscal Note for HB 2125 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2125 is respectfully submitted to your committee.

HB 2125 would amend the Kansas General Corporation Code to create public benefit corporations as defined by the bill. These corporations would be subject to the provisions of the Code, except where the bill imposes additional or different requirements. The bill would require these corporations to indicate in every communication with current or prospective stockholders and on every stock certificate issued that they are public benefit corporations and to annually provide detailed information to stockholders concerning their promotion of the public benefits identified in their articles of incorporation.

The bill would also specify the circumstances under which a corporation could merge or consolidate with a public benefit corporation. The bill would specify the manner in which the board of directors of a public benefit corporation must manage and direct the corporation and specify the rights of stockholders in the corporation. The bill also defines and discusses the role of appraisal rights with regard to public benefit corporations.

According to the Kansas Secretary of State, passage of HB 2125 would have no fiscal effect.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue
Linda Borrer, Office of the Secretary of State