



Ohio Legislative Service Commission

Terry Steele

Fiscal Note & Local Impact Statement

Bill: [Am. Sub. H.B. 379 of the 128th G.A.](#) **Date:** May 21, 2010
Status: As Reported by Senate Ways & Means & Economic Development **Sponsor:** Reps. Carney and Mecklenborg

Local Impact Statement Procedure Required: No — No local cost

Contents: Makes changes to the law governing corporations including dissenting shareholders, corporate dissolution, and other related items

State Fiscal Highlights

- Among other provisions, the bill requires the Secretary of State to post a list of domestic corporations that have filed a certificate of dissolution and related documents on the Internet. The small cost incurred for making this information public on the Secretary of State's web site would be paid from the Corporate and Uniform Commercial Code Filing Fund (Fund 5990), the primary funding source for the Secretary of State's Business Services Division.
- The bill allows for mortgage documents dealing with rolling stock and other vehicles to be recorded with the Secretary of State's Office. As a result, there could be some small amount of additional fee revenue deposited into Fund 5990.

Local Fiscal Highlights

- For county recorders, there could be some negligible gain in recordation fees from mortgage and other property interest filings that electric cooperatives are required to make under the bill.

Detailed Fiscal Analysis

The bill makes several changes to corporate dissenter's rights and corporate dissolution statutes overseen by the Secretary of State. Overall, these changes have no direct fiscal effect and are described in further detail in the LSC bill analysis. However, the Secretary of State's Business Services Division, which handles corporate filings, could incur some small cost for complying with the bill's requirement that a list of any domestic corporations that have filed a certificate of dissolution, as well as accompanying documentation, be made public on the Internet. The costs for posting this information on the Secretary of State's web site would be paid from the Corporate and Uniform Commercial Code Filing Fund (Fund 5990), the primary operating funding source for the Business Services Division. The Secretary of State's Office approved 8,368 dissolutions in calendar year 2007, 9,265 in calendar year 2008, and 9,136 such filings in calendar year 2009.

The bill also requires that property holdings or mortgages related to electrical cooperatives be recorded in the county recorder's office where the property is located, or for mortgages dealing with rolling stock or vehicles, allows these documents to be recorded with the Secretary of State's Office. The county recorder charges a minimum \$28.00 for indexing the first two pages of any new records, and \$8 for all pages thereafter. Of this fee, half is retained by the county recorder and half is deposited into the Low- and Moderate- Income Housing Fund (Fund 6460), commonly referred to as the Housing Trust Fund. There are 24 electrical cooperatives in Ohio that would need to make such filings under the provision. The fee for mortgages filed with the Secretary of State is \$10 for documents of up to 25 pages, and \$1 per page thereafter. Any additional fees collected by the Secretary of State would be deposited into Fund 5990.