Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 267 of the 129th G.A. **Date**: September 21, 2011

Status: As Reported by House Judiciary & Ethics **Sponsor**: Rep. McKenney

Local Impact Statement Procedure Required: No

Contents: Adopts the Revised Uniform Unincorporated Nonprofit Association Act and revises the merger and consolidation provisions of the Nonprofit Corporation Law

State Fiscal Highlights

- The bill adopts the Revised Uniform Unincorporated Nonprofit Association Act and revises the merger and consolidation provisions of the Nonprofit Corporation Law. None of the provisions in the bill appear to contain any fiscal impact that affects the state.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill adopts the Revised Uniform Unincorporated Nonprofit Association Act, and permits unincorporated nonprofit associations to merge and consolidate with various types of entities, including other associations, for-profit corporations, nonprofit corporations, and limited liability companies, domestic or foreign, in a manner similar to mergers and consolidations of limited liability companies under existing law. The bill also provides "default" mechanisms similar to those in the Nonprofit Corporation Law relating to voting procedures, meeting requirements, and other matters relating to internal governance that apply when an association fails to establish its own rules of governance. To date, Arkansas and the District of Columbia have adopted this uniform act, while Pennsylvania, Nebraska, and Idaho have introduced legislation to do so. Overall, there appears to be no direct fiscal impact attributable to the bill, either for the state or political subdivisions.

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