

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 1573-01  
Bill No.: Truly Agreed to and Finally Passed SB 463  
Subject: Secretary of State: Corporations, Directors  
Type: Original  
Date: May 29, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials of the **Office of Secretary of State- Corporations** assumes no fiscal impact.

**Oversight** assumes no fiscal impact to political subdivisions.

<b><u>FISCAL IMPACT - State Government</u></b>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<b><u>FISCAL IMPACT - Local Government</u></b>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**FISCAL IMPACT - Small Business**

No direct fiscal impact to small businesses would be expected as a result of this proposal.

#### DESCRIPTION

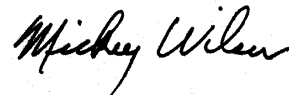
Section 355.331 was amended by the General Assembly in SB 768 (1996) to increase the term of office for directors of nonprofit corporations from five to six years. The Missouri Supreme Court then found that bill to be in violation of the clear title requirement in the Constitution. Thus, the amendment to Section 355.331 was invalidated and the law went back to a term of five years for a director.

Once SB 768 passed, the Revisor of Statutes amended the section to show the term limit of directors to be six years in the printed version of the Revised Statutes. This act makes a substantive change in the law by increasing the term of office for a director from five to six years.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### SOURCES OF INFORMATION

Secretary of State



Mickey Wilson, CPA  
Director  
May 29, 2003

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