

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2435 – HB 2524

March 5, 2018

SUMMARY OF ORIGINAL BILL: Authorizes the Secretary of State to provide for the submission of documents by limited liability companies in electronic format.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (014337): Deletes all language after the enacting clause. Authorizes a series of a limited liability company (LLC) to contract, hold title to assets, grant liens and security interests, and to sue, and be sued.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Under current law, pursuant to Tenn. Code Ann. § 48-249-309, a LLC may establish a series of members, holders, managers, directors, membership interests or financial rights having separate rights, powers or duties, with respect to property or obligations of the LLC and any such series may have a separate business purpose and investment objective.
- The proposed language would authorize the series of LLCs to contract, hold titles, grant liens, security interested, to sue, and be sued.
- Any fiscal impact to state government is estimated to be not significant.

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IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

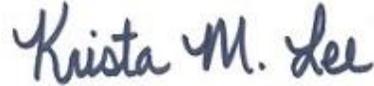
Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Under current law, pursuant to Tenn. Code Ann. § 48-249-309, when establishing a series within a LLC, such series are required to hold separate assets and liabilities from the LLC.
- The authorizations provided in the proposed language are not estimated to result in any changes to how series are currently operated; therefore any impact to commerce or jobs is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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