

March 24, 2022

The Honorable Elaine Bowers, Chairperson
Senate Committee on Transparency and Ethics
Statehouse, Room 142-S
Topeka, Kansas 66612

Dear Senator Bowers:

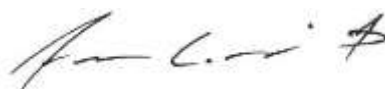
SUBJECT: Fiscal Note for SB 570 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 570 is respectfully submitted to your committee.

SB 570 would amend existing law requiring business entities registered with the Secretary of State to file an annual report. The bill would replace the annual filing requirement with a requirement to file a business entity information report biennially. Any business that files formation documents with the Secretary of State in an even-numbered year would file its business information report biennially in an even-numbered year and a business that files formation documents in an odd-numbered year would file its report in an odd-numbered year. The bill would maintain the current fee structure for annual reports but would adjust the fees to reflect a two-year filing period. It would also adjust the business reinstatement provisions by requiring information reports for the immediately preceding 10 years and payment of fees and penalties to the Secretary of State to reinstate a business. The bill would take effect January 1, 2024.

The Office of the Secretary of State does not anticipate any additional expenditures resulting from enactment of SB 570; however, the bill would reduce the number of business entity information reports filed each year. The agency does not expect enactment of the bill would affect revenues, as businesses filing a biennial report would pay the same fees assessed for annual reports for each of the two years of the biennial filing.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Sandy Tompkins, Office of the Secretary of State