

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**Session 2015**

**Legislative Fiscal Note**

**BILL NUMBER:** Senate Bill 105 (Second Edition)

**SHORT TITLE:** Include No. Veterans Employed/Annual Report.

**SPONSOR(S):**

<b>FISCAL IMPACT</b>					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
<b>State Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>
General Fund Revenues:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
General Fund Expenditures:	\$250,000.0	\$0.0	\$0.0	\$0.0	\$0.0
State Positions:	0.0	0.0	0.0	0.0	0.0
<b>NET STATE IMPACT</b>	<b>(\$250,000)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Secretary of State, Department of Revenue					
<b>EFFECTIVE DATE:</b> January 1, 2016					
<b>TECHNICAL CONSIDERATIONS:</b> None					

**BILL SUMMARY:**

This bill amends current statute to require that annual reports filed by business corporations and limited liability companies (LLCs) include the number of full-time equivalent employees employed in North Carolina during the reporting period who are veterans. Business corporations and LLCs that are authorized to conduct business in the State are required to file annual reports with the Secretary of Revenue in paper form or file directly to the Secretary of State in electronic form.

The bill also requires the Secretary of State to compile this information from the annual reports and publish on the Secretary of State’s website the number of veterans employed in the State by business corporations and LLCs annually by October 1. This bill also directs the Department of Labor, Department of Insurance, Employment Security Commission, Department of Commerce, and the Industrial Commission to assist the Secretary of State in notifying the public of the new requirements.

**ASSUMPTIONS AND METHODOLOGY:**

The additional reporting requirements and updates to the electronic filing system can be handled by the Secretary of State’s office within existing staffing and resource levels. The Department of Revenue is able to update the annual report forms for business corporations and LLCs internally with no additional funding.

The Secretary of State would require one-time funding for implementation of this bill to notify the business community of the new requirements in order to ensure proper compliance with the law. A total of \$250,000 would be needed to do the following:

- \$202,500 for direct mailings to communicate to business corporations and LLCs the additional reporting requirements and definitions. The direct mailings are expected to cost \$0.45 per unit and would be sent to approximately 450,000 companies currently registered to do business in North Carolina.
- \$47,500 for the select placement of notifications in business and trade newsletters and publications to reach the extended business community, including potential owners of new business corporations and LLCs.

**SOURCES OF DATA:** Secretary of State, Department of Revenue

**TECHNICAL CONSIDERATIONS:** None

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**APPROVED BY:**

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**Fiscal Research Division**

**DATE:** June 21, 2016



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