

NOTICE OF INTENT

Department of State Business Services Division

Business Entities (LAC 19:V.Chapters 1 - 13)

The Secretary of State, pursuant to the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.) and under the authority of R.S. 49:222 and R.S. 36:742, is proposing to adopt a Rule to authorize the use of an optional Secure Business Filings (SBF) service designed to discourage fraudulent business filings in Louisiana through *geauxBIZ*.

Title 19

CORPORATION AND BUSINESS

Part V. Secretary of State

Chapter 1. Domestic Corporations

§100. Secure Business Filings Service

A. The Department of State has developed and now offers an optional Secure Business Filings (SBF) service designed to discourage fraudulent business filings in Louisiana. The service will notify a corporation via email whenever amendments are submitted on the corporation through *geauxBIZ*. The corporation will have the opportunity to review the filing and approve or reject further processing by the Department of State.

B. Any person who has a *geauxBIZ* account with a verified email address can enroll in the optional SBF service. The enrollment application must be authorized by a person who is a named officer, director, member, manager, or partner of record (the authorizing authority). The identity of the authorizing authority must be verified by completing a Secure Business Filing Service Enrollment Application Authorization which must be verified by a licensed notary public in the state where the authorizing authority resides. A copy of the authorization form can be found on the department's website. The authorization application is required for all SBF applicants, even if the applicant is the approval authority.

C. Business entities will have an opportunity to review the filing and approve or reject further processing by the Department of State. To approve a filing, the corporation must provide the PIN assigned to the corporation within five days of receiving notification of a pending file. If the corporation rejects a filing or if five days passes with no action performed, the filing will not be processed by the Department of State.

D. The corporation is responsible for PIN usage and security. The Department of State will not be responsible for unauthorized usage of the PIN or changes made to the corporation's business record as a result of an unauthorized user entering the correct PIN. The department reserves the right to cancel the SBF service, change the PIN, remove an SBF enrollee, change the SBF service terms and conditions, or act to prevent or prosecute fraudulent activity at any time.

E. The service has a one-time enrollment fee of \$35. An enrollment does not expire; however, it can be cancelled by the enrollee, by another authorized applicant, or by the Department of State. Enrollments are non-transferrable. A new SBF enrollment application must be completed to reinstate a cancelled enrollment or to change the SBF enrollment to a different geauxBIZ user. Once the enrollment application is approved by the department, the department will provide the corporation with a personal identification number (PIN) that will be unique to the corporation. The corporation can give the PIN to any person filing amendments on the corporation's behalf.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:222 and R.S. 36:742.

HISTORICAL NOTE: Promulgated by the Department of State, Business Services Division, LR 42:

Chapter 5. Nonprofit Corporations

§500. Secure Business Filings Service

A. The Department of State has developed and now offers an optional Secure Business Filings (SBF) service designed to discourage fraudulent business filings in Louisiana. The service will notify a corporation via email whenever amendments are submitted on the corporation through geauxBIZ. The corporation will have the opportunity to review the filing and approve or reject further processing by the Department of State.

B. Any person who has a geauxBIZ account with a verified email address can enroll in the optional SBF service. The enrollment application must be authorized by a person who is a named officer, director, member, manager, or partner of record (the authorizing authority). The identity of the authorizing authority must be verified by completing a Secure Business Filing Service Enrollment Application Authorization which must be verified by a licensed notary public in the state where the authorizing authority resides. A copy of the authorization form can be found on the department's website. The authorization application is required for all SBF applicants, even if the applicant is the approval authority.

C. Business entities will have an opportunity to review the filing and approve or reject further processing by the Department of State. To approve a filing, the corporation must provide the PIN assigned to the corporation within five days of receiving notification of a pending file. If the corporation rejects a filing or if five days passes with no action performed, the filing will not be processed by the Department of State.

D. The corporation is responsible for PIN usage and security. The Department of State will not be responsible for unauthorized usage of the PIN or changes made to the corporation's business record as a result of an unauthorized user entering the correct PIN. The department reserves the right to cancel the SBF service, change the PIN, remove an SBF enrollee, change the SBF service terms and conditions, or act to prevent or prosecute fraudulent activity at any time.

E. The service has a one-time enrollment fee of \$35. An enrollment does not expire; however, it can be cancelled by the enrollee, by another authorized applicant, or by the Department of State. Enrollments are non-transferrable. A new SBF enrollment application must be completed to reinstate a cancelled enrollment or to change the SBF enrollment to a different geauxBIZ user. Once the enrollment application is approved by the department, the department will provide the corporation with a personal identification number (PIN) that will be unique to the corporation. The corporation can give the PIN to any person filing amendments on the corporation's behalf.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:222 and R.S. 36:742.

HISTORICAL NOTE: Promulgated by the Department of State, Business Services Division, LR 42:

Chapter 7. Foreign Corporations

§700. Secure Business Filings Service

A. The Department of State has developed and now offers an optional Secure Business Filings (SBF) service designed to discourage fraudulent business filings in Louisiana. The service will notify a corporation via email whenever amendments are submitted on the corporation through geauxBIZ. The corporation will have the opportunity to review the filing and approve or reject further processing by the Department of State.

B. Any person who has a geauxBIZ account with a verified email address can enroll in the optional SBF service. The enrollment application must be authorized by a person who is a named officer, director, member, manager, or partner of record (the authorizing authority). The identity of the authorizing authority must be verified by completing a Secure Business Filing Service Enrollment Application Authorization which must be verified by a licensed notary public in the state where the authorizing authority resides. A copy of the authorization form can be found on the department's website. The authorization application is required for all SBF applicants, even if the applicant is the approval authority.

C. Business entities will have an opportunity to review the filing and approve or reject further processing by the Department of State. To approve a filing, the corporation must provide the PIN assigned to the corporation within five days of receiving notification of a pending file. If the corporation rejects a filing or if five days passes with no action performed, the filing will not be processed by the Department of State.

D. The corporation is responsible for PIN usage and security. The Department of State will not be responsible for unauthorized usage of the PIN or changes made to the corporation's business record as a result of an unauthorized user entering the correct PIN. The department reserves the right to cancel the SBF service, change the PIN, remove an SBF enrollee, change the SBF service terms and conditions, or act to prevent or prosecute fraudulent activity at any time.

E. The service has a one-time enrollment fee of \$35. An enrollment does not expire; however, it can be cancelled by the enrollee, by another authorized applicant, or by the Department of State. Enrollments are non-transferrable. A new SBF enrollment application must be completed to reinstate a cancelled enrollment or to change the SBF enrollment to a different geauxBIZ user. Once the enrollment application is approved by the department, the department will provide the corporation with a personal identification number (PIN) that will be unique to the corporation. The corporation can give the PIN to any person filing amendments on the corporation's behalf.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:222 and R.S. 36:742.

HISTORICAL NOTE: Promulgated by the Department of State, Business Services Division, LR 42:

Chapter 9. Special Corporations

§900. Secure Business Filings Service

A. The Department of State has developed and now offers an optional Secure Business Filings (SBF) service designed to discourage fraudulent business filings in Louisiana. The

service will notify a corporation via email whenever amendments are submitted on the corporation through geauxBIZ. The corporation will have the opportunity to review the filing and approve or reject further processing by the Department of State.

B. Any person who has a geauxBIZ account with a verified email address can enroll in the optional SBF service. The enrollment application must be authorized by a person who is a named officer, director, member, manager, or partner of record (the authorizing authority). The identity of the authorizing authority must be verified by completing a Secure Business Filing Service Enrollment Application Authorization which must be verified by a licensed notary public in the state where the authorizing authority resides. A copy of the authorization form can be found on the department's website. The authorization application is required for all SBF applicants, even if the applicant is the approval authority.

C. Business entities will have an opportunity to review the filing and approve or reject further processing by the Department of State. To approve a filing, the corporation must provide the PIN assigned to the corporation within five days of receiving notification of a pending file. If the corporation rejects a filing or if five days passes with no action performed, the filing will not be processed by the Department of State.

D. The corporation is responsible for PIN usage and security. The Department of State will not be responsible for unauthorized usage of the PIN or changes made to the corporation's business record as a result of an unauthorized user entering the correct PIN. The department reserves the right to cancel the SBF service, change the PIN, remove an SBF enrollee, change the SBF service terms and conditions, or act to prevent or prosecute fraudulent activity at any time.

E. The service has a one-time enrollment fee of \$35. An enrollment does not expire; however, it can be cancelled by the enrollee, by another authorized applicant, or by the Department of State. Enrollments are non-transferrable. A new SBF enrollment application must be completed to reinstate a cancelled enrollment or to change the SBF enrollment to a different geauxBIZ user. Once the enrollment application is approved by the department, the department will provide the corporation with a personal identification number (PIN) that will be unique to the corporation. The corporation can give the PIN to any person filing amendments on the corporation's behalf.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:222 and R.S. 36:742.

HISTORICAL NOTE: Promulgated by the Department of State, Business Services Division, LR 42:

Chapter 11. Limited Liability Companies

§1100. Secure Business Filings Service

A. The Department of State has developed and now offers an optional Secure Business Filings (SBF) service designed to discourage fraudulent business filings in Louisiana. The service will notify a limited liability company via email whenever amendments are submitted on the limited liability company through geauxBIZ. The limited liability company will have the opportunity to review the filing and approve or reject further processing by the Department of State.

B. Any person who has a geauxBIZ account with a verified email address can enroll in the optional SBF service. The enrollment application must be authorized by a person who is a named officer, director, member, manager, or partner of record (the authorizing authority). The identity of the authorizing authority must be verified by completing a Secure Business Filing Service Enrollment Application Authorization which must be verified by a licensed notary public

in the state where the authorizing authority resides. A copy of the authorization form can be found on the department's website. The authorization application is required for all SBF applicants, even if the applicant is the approval authority.

C. Business entities will have an opportunity to review the filing and approve or reject further processing by the Department of State. To approve a filing, the limited liability company must provide the PIN assigned to the limited liability company within five days of receiving notification of a pending file. If the limited liability company rejects a filing or if five days passes with no action performed, the filing will not be processed by the Department of State.

D. The limited liability company is responsible for PIN usage and security. The Department of State will not be responsible for unauthorized usage of the PIN or changes made to the limited liability company's business record as a result of an unauthorized user entering the correct PIN. The department reserves the right to cancel the SBF service, change the PIN, remove an SBF enrollee, change the SBF service terms and conditions, or act to prevent or prosecute fraudulent activity at any time.

E. The service has a one-time enrollment fee of \$35. An enrollment does not expire; however, it can be cancelled by the enrollee, by another authorized applicant, or by the Department of State. Enrollments are non-transferrable. A new SBF enrollment application must be completed to reinstate a cancelled enrollment or to change the SBF enrollment to a different geauxBIZ user. Once the enrollment application is approved by the department, the department will provide the limited liability company with a personal identification number (PIN) that will be unique to the limited liability company. The limited liability company can give the PIN to any person filing amendments on the limited liability company's behalf.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:222 and R.S. 36:742.

HISTORICAL NOTE: Promulgated by the Department of State, Business Services Division, LR 42:

Chapter 13. Partnerships

§1300. Secure Business Filings Service

A. The Department of State has developed and now offers an optional Secure Business Filings (SBF) service designed to discourage fraudulent business filings in Louisiana. The service will notify a partnership via email whenever amendments are submitted on the partnership through geauxBIZ. The partnership will have the opportunity to review the filing and approve or reject further processing by the Department of State.

B. Any person who has a geauxBIZ account with a verified email address can enroll in the optional SBF service. The enrollment application must be authorized by a person who is a named officer, director, member, manager, or partner of record (the authorizing authority). The identity of the authorizing authority must be verified by completing a Secure Business Filing Service Enrollment Application Authorization which must be verified by a licensed notary public in the state where the authorizing authority resides. A copy of the authorization form can be found on the department's website. The authorization application is required for all SBF applicants, even if the applicant is the approval authority.

C. Business entities will have an opportunity to review the filing and approve or reject further processing by the Department of State. To approve a filing, the partnership must provide the PIN assigned to the partnership within five days of receiving notification of a pending file. If the partnership rejects a filing or if five days passes with no action performed, the filing will not be processed by the Department of State.

D. The partnership is responsible for PIN usage and security. The Department of State will not be responsible for unauthorized usage of the PIN or changes made to the partnership's business record as a result of an unauthorized user entering the correct PIN. The department reserves the right to cancel the SBF service, change the PIN, remove an SBF enrollee, change the SBF service terms and conditions, or act to prevent or prosecute fraudulent activity at any time.

E. The service has a one-time enrollment fee of \$35. An enrollment does not expire; however, it can be cancelled by the enrollee, by another authorized applicant, or by the Department of State. Enrollments are non-transferrable. A new SBF enrollment application must be completed to reinstate a cancelled enrollment or to change the SBF enrollment to a different geauxBIZ user. Once the enrollment application is approved by the department, the department will provide the partnership with a personal identification number (PIN) that will be unique to the partnership. The partnership can give the PIN to any person filing amendments on the partnership's behalf.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:222 and R.S. 36:742.

HISTORICAL NOTE: Promulgated by the Department of State, Business Services Division, LR 42:

Family Impact Statement

The proposed Rule cited in LAC 19:V.Chapters 1-13 regarding secured business filings for geauxBIZ should not have any known or foreseeable impact on any family as defined by R.S. 49:927 or on family formation, stability and autonomy. Specifically, there should be no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;
3. the functioning of the family;
4. family earnings and family budget;
5. the behavior and personal responsibility of children; and
6. the ability of the family or a local government to perform the function as contained in the proposed amendments to the Rule.

Poverty Impact Statement

The proposed Rule cited in LAC 19:V.Chapters 1-13 regarding secured business filings for geauxBIZ should not have any known or foreseeable impact on poverty as defined by R.S. 49:973. Specifically, there should be no known or foreseeable effect on:

1. the household income, assets and financial security;
2. early childhood development and preschool through postsecondary education development;
3. employment and workforce development;
4. taxes and tax credits; and
5. child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

Small Business Statement

The proposed Rule is not expected to have a significant adverse impact on small business as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed Rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed Rule on small business.

Provider Impact Statement

The proposed Rule does not have any known or unforeseeable impact on providers as defined by HCR 170 of the 2014 Regular Legislative Session. In particular, there should be no known or foreseeable effect on:


1. the effect on the staffing level requirements or qualifications required to provide the same level of service;
2. the total direct and indirect effect on the cost to the providers to provide the same level of service; or
3. the overall effect on the ability of the provider to provide the same level of service.

Public Comments

Interested persons may submit written comments to Steve Hawkland, Deputy General Counsel, Legal Division, Department of State, P.O. Box 94125, Baton Rouge, LA 70804-9125. He will be responsible for responding to inquiries regarding the proposed amendments to various sections of the Rule. The deadline for the Department of State to receive written comments is 4:30 p.m. on Wednesday, April 27, 2016 after the public hearing.

Public Hearing

A public hearing on the proposed Rule is scheduled for Tuesday, April 26, 2016 at 1:00 p.m. in the Auditorium at the State Archives Building, 3851 Essen Lane, Baton Rouge, LA. At that time, all interested persons will be afforded the opportunity to submit data, views, or arguments either orally or in writing.



Tdm Schedler
Secretary of State

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

Person Preparing Statement:	<u>Carol H. Guidry</u>	Dept.:	<u>Dept. of State</u>
Phone:	<u>(225) 229-8085</u>	Office:	<u>Business Division</u>
Return Address:	<u>P.O. Box 94125</u>	Rule Title:	<u>Business Entities</u> <u>Secure Business Filings</u>
	<u>Baton Rouge, LA</u>	Date Rule Takes Effect:	<u>June 20, 2016</u>
	<u>70804-9125</u>		

SUMMARY
(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule will increase expenditures for the Secretary of State's Business Division by an indeterminable amount in FY 17 and subsequent fiscal years. The expenditures are associated with software development and maintenance for the geauxBIZ system's Secured Business Filings (SBF) service. This is a new service that business entities can choose to enroll in at their discretion. The Secretary of State projects 15,300 businesses will enroll in FY 17. Projections further indicate an additional 1,920 businesses will enroll in FY 18.

All expenditures for the SBF program are dependent upon self-generated revenues collected via a \$35 enrollment fee and the number of business entities electing to participate in the program. To the extent businesses enroll in the SBF program according to the Secretary of State's projections, the department will realize expenditures of approximately \$428,400 in FY 17 (\$35 * 12,240 businesses), and \$67,200 (\$35 * 1,920 businesses) in FY 18 associated with enrolling business entities. The Secretary of State projects that startup costs to add the SBF service to the geauxBIZ system would total \$428,400 and anticipates enough businesses will enroll to fund the addition of the service. In addition, the Secretary of State anticipates that approximately \$67,200 will fund maintenance on the system in FY 18 and in subsequent fiscal years. To the extent fewer businesses enroll than the Secretary of State projects, the department anticipates utilizing self-generated revenues from other sources to fully fund the SBF system.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

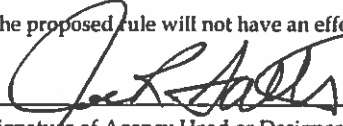
The proposed rule will increase self-generated revenue collections by an indeterminable amount. To the extent businesses participate in the Secured Business Filings (SBF) program based upon the Secretary of State's projections, the department will realize a revenue increase of approximately \$428,400 in FY 17 and \$67,200 in FY 18. The exact revenue increase is indeterminable and dependent upon the number of businesses choosing to enroll in the SBF program. The Secretary of State anticipates funds generated from the \$35 enrollment fee will adequately fund expenditures associated with the SBF program.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

The proposed rule creates an optional service designed to discourage fraudulent business filings in Louisiana. This service will notify enrolled business entity via email whenever amendments are submitted on the geauxBIZ system. Business entities will have an opportunity to review the filing and approve or reject further processing of documents by the Department of State, including potentially fraudulent and harmful business filings. Businesses entities statewide must pay a one-time registration fee of \$35 if they choose to participate in the Secured Business Filings service.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule will not have an effect on competition and employment.



Signature of Agency Head or Designee
Joe R. Salter, Undersecretary of M & F

Typed Name & Title of Agency Head or Designee
02/19/2016

Date of Signature



Legislative Fiscal Officer or Designee

3/10/16

Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on this proposed Rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The Secure Business Filings (SBF) service is an optional service designed to discourage fraudulent business filings in Louisiana. The service will notify the enrollee via email whenever an amendment is submitted on the entity's business through the geauxBIZ system. The enrollee will have any opportunity to review the filing and approve or reject further processing by the Department of State. To approve a filing, the enrollee will be required to provide a Personal Identification Number (PIN) (assigned to the enrollee by the Department of State) within five days of receiving notification of a pending filing. If the enrollee rejects the filing or if they allow five days to pass without performing an action, the filing will not be processed by the Department of State. The enrollee can give the PIN to any person filing amendments on behalf of the enrollee to bypass the SBF review period and approval step; however, the enrollee will still be notified when filings are received, regardless of whether or not the correct PIN was entered by the submitter. This service has a one-time enrollment fee of \$35 and enrollments do not expire; however, they can be cancelled.

It is anticipated that the implementation of this proposed Rule will result in an increase in expenditures for the Business Division of \$428,400 for FY 17 and \$67,200 for FY 18. These costs are associated with software development and maintenance for the geauxBIZ system. The above dollar amounts reflect the projected number of business entities electing to participate in the optional Secure Business Filings (SBF) program.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

See A above.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will this proposed Rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

It is anticipated that this proposed Rule will increase self-generated revenues to fund expenses associated with the development and maintenance of security software for the geauxBIZ system. It is anticipated that the implementation of this proposed Rule will result in an increase in expenditures for the Business Division of \$428,400 for FY 17 and \$67,200 for FY 18. These costs are associated with software development and maintenance for the geauxBIZ system.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) _____ NO. If no, provide justification as to why this rule change should be published at this time

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 16	FY 17	FY 18
Personal Services			
Operating Expenses			
Professional Services	\$0	\$428,400	\$67,200
Other Charges			
Equipment			
Major Repairs & Constr.			
TOTAL	0	\$428,400	\$67,200
POSITIONS (#)	0	0	0

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The proposed rule will increase expenditures for the Secretary of State's Business Division by an indeterminable amount in FY 17 and subsequent fiscal years. The expenditures are associated with software development and maintenance for the geauxBIZ system's Secured Business Filings (SBF) service. This is a new service that business entities can choose to enroll in at their discretion. The Secretary of State projects 15,300 businesses will enroll in FY 17. Projections further indicate an additional 1,920 businesses will enroll in FY 18. All expenditures for the SBF program are dependent upon self-generated revenues collected via a \$35 enrollment fee and the number of business entities electing to participate in the program.

3. Sources of funding for implementing this proposed Rule or rule change.

SOURCE	FY 16	FY 17	FY 18
State General Fund			
Agency Self-Generated	SEE BELOW	SEE BELOW	SEE BELOW
Dedicated			
Federal Funds			
Other (Specify)			
TOTAL			

\$

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

All expenditures for the SBF program are dependent upon self-generated revenues collected via a \$35 enrollment fee and the number of business entities electing to participate in the program. To the extent businesses enroll in the SBF program according to the Secretary of State's projections, the department will realize expenditures of approximately \$428,400 in FY 17 (\$35 * 12,240 businesses), and \$67,200 (\$35 * 1,920 businesses) in FY 18 associated with enrolling business entities. The Secretary of State projects that startup costs to add the SBF service to the geauxBIZ system would total \$428,400 and anticipates enough businesses will enroll to fund the addition of the service. In addition, the Secretary of State anticipates that approximately \$67,200 will fund maintenance on the system in FY 18 and in subsequent fiscal years. To the extent fewer businesses enroll than the Secretary of State projects, the department anticipates utilizing self-generated revenues from other sources to fully fund the SBF system.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

There is no estimated effect on revenue collections of local governmental units.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

N/A

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 16	FY 17	FY 18
State General Fund			
Agency Self-Generated	INCREASE	INCREASE	INCREASE
Dedicated Funds*			
Federal Funds			
Local Funds			
TOTAL			

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

The proposed rule will increase self-generated revenue collections by an indeterminable amount. To the extent businesses participate in the Secured Business Filings (SBF) program based upon the Secretary of State's projections, the department will realize a revenue increase of approximately \$428,400 in FY 17 and \$67,200 in FY 18. The exact revenue increase is indeterminable and dependent upon the number of businesses choosing to enroll in the SBF program. The Secretary of anticipates funds generated from the \$35 enrollment fee will adequately fund expenditures associated with the SBF program.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS

- A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed rule creates an optional service designed to discourage fraudulent business filings in Louisiana. This service will notify enrolled business entity via email whenever amendments are submitted on the geauxBIZ system. Business entities will have an opportunity to review the filing and approve or reject further processing of documents by the Department of State, including potentially fraudulent and harmful business filings. Businesses entities statewide must pay a one-time registration fee of \$35 if they choose to participate the Secured Business Filings service.

- B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

See A above.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

There will be no impact of the proposed policy on competition and employment.