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FISCAL IMPACT REPORT

SPONSOR SJC **ORIGINAL DATE** 03/08/21 **LAST UPDATED** 03/16/21 **HB** _____
SHORT TITLE Alternate Business Entity Names **SB** CS/SB202 /aHCEDC
ANALYST Fischer

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Secretary of State (SOS)

SUMMARY

Synopsis of HCEDC Amendment

The House Commerce and Economic Development Committee amendment to Senate Judiciary Committee substitute for Senate Bill 202 clarifies language in Section 7 of the bill that an LLC must include the name it will use to transact business in New Mexico in its articles of organization.

Synopsis of Original Bill

The Senate Judiciary Committee substitute for Senate Bill 202 amends the wording of several corporation statutes to capture all names of a business that transacts business in New Mexico. Specifically, the bill reworks statute so the articles of incorporation and articles of amendment of a nonprofit, business, or foreign corporation must contain the name under which the corporation transacts business in New Mexico in addition to the corporation's official name, if the two are different.

The effective date of this bill is July 1, 2021.

FISCAL IMPLICATIONS

SB202 does not contain an appropriation. SOS notes the passage of SB202 will create a need to

update forms and the functionality of its online business filing system to correspond with this change. However, SOS does not anticipate this cost to be significant.

MF/al/sb