

**FISCAL NOTE**  
**HOUSE BILL NO. 1371**  
**LC# 23.0721.05000**  
**04/18/2023**

**1 - State Fiscal Effect**

*Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$50,000			
Appropriations						

**2 - County, City, School District, and Township Fiscal Effect**

*Identify the fiscal effect on the appropriate political subdivision.*

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

**3 - Bill and Fiscal Impact Summary**

*Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1371, if amended, would add four new filing entity types to FirstStop, the Secretary of State’s business and licensing automated system. It would also make changes to two existing filing entity types.

**4 - Fiscal Impact Sections Detail**

*Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The public portal and the back office of FirstStop currently supports four farm/ranch filing types for in-state (domestic) and out-of-state (foreign) corporations and limited liability companies qualifying under NDCC ch. 10-06.1.

With the amendments, four additional filing types would be needed for in-state and out-of-state corporations and

limited liability companies qualifying as “authorized livestock farms.” This will be necessary because the requirements for the new filing types are different than the requirements for the existing four filing types. The amount in Section 1 of this Fiscal Note reflects the cost to program FirstStop to support the following items (for each of the new filing types): initial filings (including articles of incorporation with an initial report, articles of organization with an initial report, certificate of authority with an initial report for out-of-state corporations, certificate of authority with an initial report for out-of-state limited liability companies); certificates; amendments; annual reports; automated notices, jobs, and events; receipt items; public and back office search; copy requests; certificates of good standing; and certificates of fact.

Also, additional information would need to be collected on two of the existing farm/ranch entity types (those relating to limited liability companies). The amount in Section 1 includes the cost to program FirstStop to support this new requirement.

## **5 - Revenues Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

## **6 - Expenditures Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

It is estimated that it will cost \$30,000 – \$50,000 during the 2023 – 2025 biennium to have FirstStop programmed to support the additional filing types for in-state authorized livestock farm corporations, out-of-state authorized livestock farm corporations, in-state authorized livestock farm limited liability companies, and out-of-state authorized livestock farm limited liability companies; and to have FirstStop programmed to support the new information requirements for two existing filing types.

## **7 - Appropriations Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

## **Contact Information**

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**Date Prepared:** 04/05/2023