

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: Senate Bill No. 2494 Amendment to: _____

Requested by: Legislative Council Date of Receipt: _____

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

The filing fee for the limited offeree exemption is a flat \$100 irrespective of the aggregate dollar amount of the offering. The registration fee for registering securities by qualification, on the other hand, is 1/10 of 1% of the first \$750,000 and 1/20 of 1% of any amount in excess of \$750,000. If the aggregate amount of the offering were \$2,500,000, for example, the registration fee to register by qualification would be \$1,625. The filing fee for the limited offeree exemption would be only \$100 for the same offering.

We have no idea how many issuers would opt to proceed under the limited offeree exemption if the prima facie statutory standard were increased from 10 to 35 persons. Most intrastate offerings would probably go the limited offeree exemption route. What the situation would be with respect to interstate offerings is anybody's guess.

Although we are unable to estimate the fiscal impact of Senate Bill No. 2494, the potential loss of revenue to this office
State Fiscal Effect: could be substantial.

1985-86		1986-87		Biennium Total	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>

County and City Fiscal Effect:

1985-86		1986-87		Biennium Total	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed *Peter A. Quist*

Typed Name Peter A. Quist

Date prepared: 2-5-85

Department Securities Commissioner