

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 394** HLS 15RS 545

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 16, 2015	2:03 PM	<b>Author:</b> MILLER
<b>Dept./Agy.:</b> Secretary of State		<b>Analyst:</b> Zachary Rau
<b>Subject:</b> Provides relative to names of business entities, trade		

TRADEMARKS/TRADE NAMES

EG NO IMPACT See Note

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Provides relative to names of business entities, trade names, trademarks, and service marks

Proposed law authorizes persons to specify names of partnerships and nonprofit corporations by filing a signed application with the Secretary of State, who is required to reserve specified names available for use for a nonrenewable period of 120 days. Proposed law also provides the right to transfer specified, reserved names to a transferee through a signed application with the Secretary of State. Proposed law prohibits names of corporations generally, foreign corporations, and limited liability companies from containing language that consists of or comprises immoral, deceptive, or scandalous matter. Present law requires the Secretary of State to reserve a specified name available for use for a domestic or foreign limited liability company, or a a specified trade name, trademark, or service mark for 60 days or less, and authorizes the Secretary of State to extend the reservation, not more than twice, for an additional 30 days for good cause shown. Proposed law repeals the extension and reservation periods of present law and requires a nonrenewable reservation period of 120 days, as well as antiquated language allowing the Secretary of State to collect a \$5 fee to reserve a trade name, trademark, or service mark.

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. The proposed legislation removes antiquated language from current law that requires persons wishing to reserve a trade name, trademark, or service mark to remit a fee of \$5 to the Secretary of State. The Secretary of State currently collects a \$25 fee for this purpose as set forth in RS 49:222, and therefore repealing the \$5 fee has no revenue impact. The department does not currently collect the \$5 fee.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*

**Evan Brasseaux**  
**Staff Director**