**HB 1435-FN - AS INTRODUCED**

2018 SESSION

18-2073
05/08

HOUSE BILL ***1435-FN***

AN ACT relative to business registration requirements.

SPONSORS: Rep. Cahill, Rock. 17; Sen. Fuller Clark, Dist 21

COMMITTEE: Commerce and Consumer Affairs

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ANALYSIS

This bill requires certain businesses to register with the secretary of state and, upon registration, requires the secretary of state to provide the business with relevant information about operating a business in New Hampshire.

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Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

18-2073
05/08

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Eighteen*

AN ACT relative to business registration requirements.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 New Chapter; Business Registration Requirement. Amend RSA by inserting after chapter 349 the following new chapter:

CHAPTER 349-A

BUSINESS REGISTRATION REQUIREMENT

349-A:1 Registration; Generally.

I. Any person doing business in this state shall register his or her name and the name of his or her business with the secretary of state if such person has employees or has an annual gross business income of $75,000 or more.

II. The provisions of this chapter shall not apply to sole proprietors, partnerships, trusts, or associations with a registered trade name under RSA 349, corporations organized under RSA 292, 293-A, 301 and 301-A, foreign corporations registered under RSA 292, 293-A, 301 and 301-A, foreign partnerships registered under RSA 305-A, limited liability companies and foreign limited liability companies registered under RSA 304-C, registered limited liability partnerships or foreign registered liability partnerships registered under RSA 304-A, limited partnerships or foreign limited partnerships registered under RSA 304-B or New Hampshire investment trusts registered under RSA 293-B except as such holders of the registrations as described in this paragraph may be doing business under a name other than the names under which they are registered.

349-A:2 Registration; Procedure.

I. Every person required to register under this chapter shall file in the office of the secretary of state a certificate, signed by such person, stating:

(a) The name under which the business is to be conducted.

(b) The principal place of business.

(c) The date of organization of the business.

(d) A brief description of the kind of business to be carried on with the names and addresses of the principal parties engaged therein.

II. Registrations filed under this section shall be accompanied by a $25 filing fee and shall be renewed every 5 years upon payment of a $25 renewal fee.

349-A:3 Effect of Registration. Upon registration under this chapter, the secretary of state shall provide such person with relevant information regarding the operation of a business in the state of New Hampshire, including information regarding state taxes, workers' compensation, licensing, permitting, and regulatory requirements.

2 Effective Date. This act shall take effect January 1, 2019.

LBAO
18-2073
10/31/17

**HB 1435-FN- FISCAL NOTE**
**AS INTRODUCED**

AN ACT relative to business registration requirements.

**FISCAL IMPACT: [ X ] State [ ] County [ ] Local [ ] None**

| | Estimated Increase / (Decrease) | | | |
|---|---|---|---|---|
| **STATE:** | **FY 2019** | **FY 2020** | **FY 2021** | **FY 2022** |
| **Appropriation** | $0 | $0 | $0 | $0 |
| **Revenue** | Indeterminable Increase | Indeterminable Increase | Indeterminable Increase | Indeterminable Increase |
| **Expenditures** | $30,000 | $0 | $0 | $0 |
| ***Funding Source:*** | [ ] General | [ ] Education | [ ] Highway | [ X ] Other |

**METHODOLOGY:**

This bill requires certain persons doing business in this state to register with the Secretary of State if such person has employees or has an annual gross business income of $75,000 or more. Such registration shall be accompanied by a $25 filing fee and renewed every 5 years upon payment of a $25 renewal fee. The Secretary of State shall provide such person with relevant information regarding business operation in the state, including state taxes, workers' compensation, licensing, permitting and regulatory requirements.

The Department of State indicates sole proprietorships are not currently required to register with the Corporation Division and the state. The number of sole proprietorships that do not register is indeterminable and the number of sole proprietorships that do register trade names is likewise indeterminable. On average, 6,500 trade names are registered per year including all business types. Approximately 300 sole proprietorships convert their trade name into a corporation or LLC per year. The number of non-registered businesses in the state with an annual gross income of $75,000 is also indeterminable. The estimated cost of upgrading the Corporation Division filing system to accept and process the business registration requirements of this bill is approximately $30,000.

**AGENCIES CONTACTED:**

Department of State