| DEPARTMENT OF COMMERCE -   |   |  |  |  |  |   |
|--|---|--|--|--|--|---|
| DEMOGRAPHIC DATA TRACKING  |   |  |  |  |  |   |
| 2006 GENERAL SESSION<br>STATE OF UTAH  |   |  |  |  |  |   |
|  |   |  |  |  |  | Chief Sponsor: Mark A. Wheatley Senate Sponsor: |
| LONG TITLE   |   |  |  |  |  |   |
|  | General Description:  |  |  |  |  |   |
| This bill requires the Division of Corporations and Commercial Code to create forms      |   |  |  |  |  |   |
| that allow a person to provide information about the gender and race of certain business |   |  |  |  |  |   |
| owners.  |   |  |  |  |  |   |
| Highlighted Provisions:  |   |  |  |  |  |   |
| This bill:   |   |  |  |  |  |   |
|  | requires the division to include on a form created by the division a way to indicate                    |  |  |  |  |   |
| the gender and race of one or more owners of the entity for which the form is filed;     |   |  |  |  |  |   |
|  | <ul> <li>provides that information concerning gender or race is not required to be provided;</li> </ul> |  |  |  |  |   |
|  | and   |  |  |  |  |   |
|  | <ul><li>makes technical changes.</li></ul>  |  |  |  |  |   |
| Monies Appropriated in this Bill:  |   |  |  |  |  |   |
| None   |   |  |  |  |  |   |
| Other Special Clauses:   |   |  |  |  |  |   |
|  | None  |  |  |  |  |   |
| <b>Utah Code Sections Affected:</b>  |   |  |  |  |  |   |
|  | AMENDS:   |  |  |  |  |   |
|  | 13-1a-1, as last amended by Chapter 225, Laws of Utah 1989  |  |  |  |  |   |



| 28 | Be it enacted by the Legislature of the state of Utah:   |
|----|--|
| 29 | Section 1. Section 13-1a-1 is amended to read:   |
| 30 | 13-1a-1. Creation of division Responsibilities.  |
| 31 | (1) There is established within the Department of Commerce the Division of                       |
| 32 | Corporations and Commercial Code which is responsible for corporation and commercial code        |
| 33 | filings in this state.   |
| 34 | (2) (a) A form created by the Division of Corporations and Commercial Code for a                 |
| 35 | filing required to be made with the Division of Corporations and Commercial Code under the       |
| 36 | following provisions shall include a portion that allows the person filing the form to indicate  |
| 37 | the gender and race of one or more owners of the entity for which the filing is made:            |
| 38 | (i) Title 16, Corporations; and  |
| 39 | (ii) Title 48, Partnership.  |
| 40 | (b) A person is not required to provide information under Subsection (2)(a) concerning           |
| 41 | the gender or race of one or more owners of the entity for which the filing is made.             |
| 42 | (c) (i) The Division of Corporations and Commercial Code shall compile information               |
| 43 | concerning the gender or race included on forms created by and filed with the Division of        |
| 44 | Corporations and Commercial Code.  |
| 45 | (ii) Information compiled by the Division of Corporations and Commercial Code under              |
| 46 | Subsection (2)(c)(i) may be compiled in a manner determined by the Division of Corporations      |
| 47 | and Commercial Code by rules made pursuant to Title 63, Chapter 46a, Utah Administrative         |
| 48 | Rulemaking Act.  |
| 49 | (d) (i) Any person may request copies of the:  |
| 50 | (A) forms created by the Division of Corporations and Commercial Code that include a             |
| 51 | portion that allows the person filing the form to indicate the gender and race of one or more    |
| 52 | owners of the entity for which the filing is made; or  |
| 53 | (B) data compiled by the Division of Corporations and Commercial Code under                      |
| 54 | Subsection (2)(c).   |
| 55 | (ii) A request under Subsection (2)(d)(i) shall be made pursuant to Title 63, Chapter 2,         |
| 56 | Government Records Access and Management Act.  |
| 57 | (iii) The Division of Corporations and Commercial Code may comply with a request                 |
| 58 | under Subsection (2)(d)(i) by providing copies of all forms of the type requested that are filed |

01-06-06 12:02 PM H.B. 236

- 59 with the Division of Corporations and Commercial Code, whether or not the portion of the
- 60 <u>form that allows a person to indicate gender or race is completed.</u>

## Legislative Review Note as of 8-18-05 2:25 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

## **State Impact**

Implementation of this bill will cost \$50,000 from the Commerce Service Fund. The ongoing costs are associated with data storage. There is an 18% increase in filings to be stored each year. Spending from the Commerce Service Fund could affect revenue available to the General Fund.

|                       | <b>FY 2007</b> | <b>FY 2008</b> | <u>FY 2007</u> | FY 2008 |
|-----------------------|----------------|----------------|----------------|---------|
|                       | Approp.        | Approp.        | Revenue        | Revenue |
| Commerce Service Fund | \$50,000       | \$30,000       | \$0            | \$0     |
| TOTAL                 | \$50,000       | \$30,000       | \$0            | \$0     |

## **Individual and Business Impact**

No fiscal impact.

Office of the Legislative Fiscal Analyst