



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1422

PRINTERS NO. 2141

PRIME SPONSOR: Tomlinson

COST / (SAVINGS)

FUND	FY 2013/14	FY 2014/15
General Fund	\$0	\$0

SUMMARY:

Senate Bill 1422 amends the Judicial Code by adding a subchapter concerning successor business entity liability. It would take effect immediately.

ANALYSIS:

This legislation amends the Judicial Code to provide that, where asbestos-related liability of a business entity results from a merger or consolidation with another, primarily-liable company (referred to as the "transferor") that liability will be limited. Generally, the bill provides that the limitation of liability for the successor company will be equal to the adjusted fair market value of the total gross assets of the transferor at the time of merger or consolidation, subject to certain limitations, which are further provided for in the legislation.

FISCAL IMPACT:

Enactment of this legislation will have no adverse impact on Commonwealth funds.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: June 30, 2014

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.