House Legislative Analysis Section

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LIMITED PARTNERSHIPS' NAMES

House Bill 4168 as introduced
First Analysis (3-14-89)

Sponsor: Rep. Sharon Gire
Committee: Economic Development & Energy

THE APPARENT PROBLEM:

Limited partnerships (partnerships in which one or some of the partners are not liable for the obligations of the partnership) are regulated under Public Act 213 of 1982. The limited partnership act requires a limited partnership that wishes to transact business under an assumed name to file that name with the Department of Commerce. However, the assumed names act, Public Act 101 of 1907, continues to require limited partnerships to file assumed names with county clerks. In its nineteenth annual report, issued in 1984, the Michigan Law Revision Commission recommended that limited partnerships be exempted from the assumed names act.

THE CONTENT OF THE BILL:

The bill would exempt limited partnerships from the assumed names act, and thereby from the act's requirement that a person conducting business under an assumed name file that name with the clerk of each county in which the name is used.

MCL 445.1 et al.

FISCAL IMPLICATIONS:

According to the Department of Commerce, the bill would have no fiscal implications for the state. Fiscal implications for counties are difficult to ascertain because it is not known how many limited partnerships are continuing to comply with the assumed names act. (3-8-89)

ARGUMENTS:

For:

The bill would eliminate an obsolete requirement that limited partnerships doing business under assumed names file those names with county clerks. Limited partnerships must file their names with the Department of Commerce as part of the comprehensive regulation imposed by Public Act 213 of 1982.

POSITIONS:

The Department of Commerce supports the bill. (3-8-89)

The Small Business Association of Michigan supports the bill. (3-8-89)

The Michigan Association of Counties supports the bill. (3-9-89)

The Michigan Association of County Clerks supports the bill. (3-9-89)

The Greater Detroit Chamber of Commerce supports the bill. (3-9-89)

The Michigan Law Revision Commission supports the bill. (3-10-89)