



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 6181 (Substitute H-1 as reported without amendment)
Sponsor: Representative Gary L. Randall
House Committee: Commerce
Senate Committee: Financial Services

CONTENT

The bill would amend the Michigan Revised Uniform Limited Partnership Act to allow the merger or consolidation of one or more domestic limited partnerships with one or more other domestic limited partnerships, with one or more foreign limited partnerships, or with one or more "business organizations". A "business organization" would be a corporation, limited liability company, general partnership, registered limited liability partnership, or any other type of business enterprise, except a limited partnership.

A merger or consolidation would have to have a plan that included the name of the new or surviving entity; the name of each other constituent entity; the terms and conditions of the merger or consolidation, including the manner and basis of converting the partnership interests, shares, membership interests, or other ownership interests in each constituent entity into partnership interests, shares, membership interests, or other interests in the surviving new entity, or into cash or other consideration, or a combination of considerations; in the case of a merger, a copy of a restated certificate of limited partnership of the surviving limited partnership, if the surviving entity were to be a limited partnership, or, if the surviving entity were to be a business organization, a statement of changes to articles of incorporation, articles of organization, or other organizing or governing documents; in the case of a consolidation, a copy of a certificate of limited partnership of the new limited partnership, if the new entity were to be a limited partnership, or, if the new entity were to be a business organization, a copy of the articles or certificate of incorporation, articles of organization, or other organizing or governing documents of the new business organization; and any other provisions considered necessary or desirable to the merger or consolidation.

The plan would have to be submitted to each constituent entity for approval and a certificate of merger or consolidation for each entity would have to be filed with the Director of the Department of Consumer and Industry Services. A merger or consolidation could be abandoned before the effective date of the merger or consolidation. Abandonment would have to be accomplished as provided in the plan of merger or consolidation or, if no provision existed, by unanimous consent of the constituent entities. If the certificate of merger or consolidation had been filed, each constituent entity would have to file a certificate of abandonment within 10 days after the abandonment, but not later than the effective date of the certificate of merger or consolidation.

Proposed MCL 449.1210

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 12-6-96

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.