



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 929 (as introduced 5-7-14)  
Sponsor: Senator Steven Bieda  
Committee: Economic Development

Date Completed: 5-13-14

**CONTENT**

**The bill would amend the Michigan Limited Liability Company Act to authorize the merger of a domestic limited liability company (LLC) with a nonprofit corporation.**

Section 705a of the Act allows one or more domestic LLCs to merge with one or more business organizations under certain circumstances. For purposes of Section 705a, "business organization" means a domestic or foreign corporation, limited partnership, general partnership, or any other type of domestic or foreign business enterprise, except a domestic LLC. The bill would include a domestic or foreign nonprofit corporation in the definition of "business organization".

The bill also would define "nonprofit corporation" as a corporation that is incorporated to carry out any lawful purpose or purposes that do not involve pecuniary profit or gain for its directors, officers, shareholders, or members, including a corporation formed under or subject to the Nonprofit Corporate Act.

The bill is tie-barred to Senate Bills 623 and 624. (Senate Bill 623 would make general amendments to the Nonprofit Corporation Act and Senate Bill 624 would amend Public Act 169 of 1965, which regulates the dissolution of charitable purpose corporations.)

MCL 450.4705a

Legislative Analyst: Patrick Affholter

**FISCAL IMPACT**

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

Fiscal Analyst: Josh Sefton

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