



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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House Bill 4701 (as reported without amendment)

Sponsor: Representative Holly Hughes

House Committee: Military and Veterans Affairs

Senate Committee: Veterans, Military Affairs and Homeland Security

### **CONTENT**

The bill would amend the Michigan Limited Liability Company Act to do the following:

- Require the Director of the Department of Licensing and Regulatory Affairs (LARA) to waive the fee for filing initial articles of organization if a majority of the initial membership interests in the domestic limited liability company (LLC) would be held by veterans.
- Require the person who requested a filing fee waiver to submit to the Director certain documents with the initial articles of organization.

"Veteran" would mean that term as defined in Public Act 190 of 1965 (which establishes who is considered a veteran in the State): an individual who served in the United States Armed Forces, including the reserve components, and was discharged or released under conditions other than dishonorable.

MCL 450.5101

Legislative Analyst: Tyler VanHuyse

### **FISCAL IMPACT**

The bill would have an indeterminate but minor negative fiscal impact on the Department of Licensing and Regulatory Affairs (LARA). The bill would allow veterans to request a waiver for a \$50 fee for filing initial articles of organization, which would reduce fee revenue used to fund LARA. The magnitude of revenue loss would depend on the number of new domestic limited liability companies with a majority of initial membership interests held by veterans who succeeded in obtaining a waiver.

Date Completed: 11-26-18

Fiscal Analyst: Elizabeth Raczkowski