

HOUSE BILL NO. 4449

March 04, 2021, Introduced by Reps. Berman, Brann and Whitsett and referred to the Committee on Rules and Competitiveness.

A bill to amend 1993 PA 23, entitled
"Michigan limited liability company act,"
by amending sections 909 and 1101 (MCL 450.4909 and 450.5101),
section 909 as amended by 2002 PA 686 and section 1101 as amended
by 2019 PA 70.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 909. (1) ~~In~~**Subject to subsection (2), in** addition to the
2 annual statement required in section 207(3), a professional limited
3 liability company shall file with the administrator an annual

1 report ~~, together with a \$50.00 filing fee, listing~~ **that lists** the
 2 names and addresses of all members and managers and ~~certifying that~~
 3 **certifies** each member and manager is a licensed person in 1 or more
 4 of the professional services rendered by the company. The report
 5 ~~shall~~ **must** also certify that any member or manager not licensed or
 6 otherwise legally authorized to render professional services in
 7 this state does not render professional services in this state. **The**
 8 **administrator shall not charge a fee for filing an annual report**
 9 **under this section.**

10 (2) ~~The A~~ professional limited liability company shall file
 11 ~~the an~~ annual report **under this section** not later than February 15
 12 of each year, and ~~a penalty of \$50.00 shall be added to the fee if~~
 13 ~~the annual report is not filed or the fee is not paid by February~~
 14 ~~15, except that if a~~ **as follows:**

15 (a) **A** professional limited liability company **that** is formed
 16 after September 30 ~~, it need~~ **is not required to** file an annual
 17 report on the February 15 immediately succeeding its formation.

18 (b) **A professional limited liability company is not required**
 19 **to file an annual report under this section if the information**
 20 **included in the last annual report it filed has not changed.**

21 (3) If a professional limited liability company fails to file
 22 an annual report required by this section for 2 consecutive years,
 23 the administrator shall notify the company of the consequences of
 24 the failure to file under subsection (4).

25 (4) If a professional limited liability company does not file
 26 all annual reports it has failed to file ~~, and~~ **and** the applicable fees
 27 ~~, and the penalty described in subsection (2) within 60 days after~~
 28 the administrator's notice under subsection (3) is sent, the
 29 professional limited liability company is not in good standing. A

1 professional limited liability company that is not in good standing
2 is not entitled to issuance by the administrator of a certificate
3 of good standing described in section 207a, the name of the company
4 is available for use by another entity filing with the
5 administrator, and the administrator shall not accept for filing
6 any document submitted by the professional limited liability
7 company other than a certificate of restoration of good standing
8 provided for in subsection (5). A professional limited liability
9 company that is not in good standing remains in existence and may
10 continue to transact business in this state.

11 (5) A professional limited liability company that is not in
12 good standing under subsection (4) may file a certificate of
13 restoration of good standing, accompanied by the annual reports and
14 fees for all of the years for which they were not filed and paid,
15 ~~the penalty described in subsection (2), and the fee for filing the~~
16 certificate of restoration of good standing. The certificate ~~shall~~
17 **must** include all of the following:

18 (a) The name of the professional limited liability company at
19 the time it ceased to be in good standing. If that name is not
20 available when the certificate of restoration of good standing is
21 filed, the professional limited liability company shall select a
22 new name that complies with this act. The new name ~~shall~~**must** be
23 the name of the professional limited liability company from the
24 date of filing of the certificate.

25 (b) The name of the professional limited liability company's
26 current resident agent and the address of the current registered
27 office in this state.

28 (c) A statement that the certificate is accompanied by the
29 annual reports and applicable fees for all of the years for which

1 reports were not filed and fees were not paid. ~~and the penalty~~
2 ~~described in subsection (2).~~

3 (6) A professional limited liability company that fails to
4 file annual statements under section 207 as well as annual reports
5 under this section must comply with section 207a and this section
6 to maintain or restore its good standing.

7 Sec. 1101. (1) The fees to be paid to the administrator when
8 the documents described in this subsection are delivered to him or
9 her for filing are as follows:

10 (a) Certificate of correction, \$25.00.

11 (b) Articles of organization, \$50.00.

12 (c) Amendment to the articles of organization, \$25.00.

13 (d) Restated articles of organization, \$50.00.

14 (e) Application for reservation of name, \$25.00.

15 (f) Certificate of assumed name or a certificate of
16 termination of assumed name, \$25.00.

17 (g) Annual statement of resident agent and registered office,
18 \$15.00 if paid after September 30, 2023. Through September 30,
19 2023, the fee is \$25.00.

20 (h) Certificate of restoration of good standing, \$50.00.

21 (i) Notice of resignation of resident agent, or statement of
22 change of registered office or resident agent, \$5.00.

23 (j) Certificate of merger as provided in article 7, \$100.00.

24 (k) Certificate of abandonment, \$10.00.

25 (l) Certificate of conversion, \$25.00.

26 (m) Certificate of dissolution, \$10.00.

27 (n) Application of a foreign limited liability company for a
28 certificate of authority to transact business in this state,
29 \$50.00.

1 (o) Certificate correcting statement contained in an
2 application for a certificate of authority to transact business in
3 this state, \$25.00.

4 (p) Certificate attesting to the occurrence of a merger of a
5 foreign limited liability company, as provided in section 1005,
6 \$10.00.

7 (q) Application for withdrawal and issuance of a certificate
8 of withdrawal of a foreign limited liability company, \$10.00.

9 (2) ~~In addition to a fee required to file a document, the~~ **The**
10 administrator ~~may~~ **shall not** charge a fee of \$50.00 if the document
11 **an additional fee if a document described in subsection (1)** is
12 filed by facsimile or other electronic transmission or the
13 administrator is requested to transmit a document by facsimile or
14 other electronic transmission.

15 (3) The administrator shall not refund all or any part of a
16 fee described in this section. The administrator shall deposit all
17 fees received and collected under this section in the state
18 treasury to the credit of the administrator, who may only use the
19 money credited pursuant to legislative appropriation and only in
20 carrying out those duties of the department required by law.

21 (4) A minimum charge of \$1.00 for each certificate and 50
22 cents per folio ~~shall~~ **must** be paid to the administrator for
23 certifying a part of a file or record pertaining to a domestic or
24 foreign limited liability company if a fee is not set forth in
25 subsection (1). The administrator may furnish copies of documents,
26 reports, and papers required or permitted by law to be filed with
27 the administrator, and shall charge for those copies pursuant to a
28 schedule of fees that the administrator shall adopt with the
29 approval of the state administrative board. The administrator shall

1 retain the revenue collected under this subsection and use it to
2 defray the costs of the department's copying and certifying
3 services.

4 (5) If a domestic or foreign limited liability company pays
5 fees or penalties by check and the check is dishonored, the fee is
6 considered unpaid and the filing of all related documents will be
7 rescinded.

8 (6) The administrator may accept payment by credit card,
9 instead of cash or check, as payment of a fee under this act. The
10 administrator shall determine which credit cards he or she shall
11 accept for payment of a fee.

12 (7) The administrator shall waive the fee otherwise required
13 under subsection (1) for filing initial articles of organization if
14 a majority of the initial membership interests in the domestic
15 limited liability company will be held by veterans.

16 (8) To request a fee waiver under subsection (7), the person
17 that is submitting the initial articles of organization for filing
18 shall submit both of the following to the administrator with that
19 document:

20 (a) A signed affidavit requesting the fee waiver and
21 certifying that a majority of the initial membership interests in
22 the domestic limited liability company will be held by veterans.

23 (b) Copies of form DD214 or form DD215, or any other form that
24 is satisfactory to the department, for each veteran who will be an
25 initial member of the limited liability company.

26 (9) The administrator shall waive any fee otherwise required
27 under this section if a majority of the membership interests in the
28 domestic or foreign limited liability company responsible for
29 paying the fee are, and the domestic or foreign limited liability

1 company provides proof satisfactory to the administrator that those
2 interests are, held by veterans. This subsection does not apply to
3 the fee for filing initial articles of organization.

4 (10) As used in this section, "veteran" means that term as
5 defined in section 1 of 1965 PA 190, MCL 35.61.

6 Enacting section 1. This amendatory act takes effect 90 days
7 after the date it is enacted into law.