

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bills 1238 through 1241 (as introduced 5-3-00)

Sponsor: Senator Bev Hammerstrom (S.B. 1238)  
Senator Dale L. Shugars (S.B. 1239)  
Senator Thaddeus G. McCotter (S.B. 1240)  
Senator Bill Schuette (S.B. 1241)

Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 5-15-00

### **CONTENT**

Senate Bill 1238 would amend the Michigan Limited Liability Company Act to delete a provision that permits a professional limited liability company to engage in the practice of public accounting if at least two-thirds of the equity and voting rights of the limited liability company are held by individuals licensed as certified public accountants (CPAs) in Michigan or another state or the equivalent in another licensing jurisdiction acceptable to the Board of Accountancy.

Senate Bill 1239 would amend the Occupational Code to provide that a simple majority (rather than two-thirds) of the individuals holding equity and voting rights of a public accounting firm would have to be individuals who were licensed as CPAs in Michigan or another state or the equivalent in another jurisdiction acceptable to the Board.

Senate Bill 1240 would amend the Professional Service Corporation Act to delete a provision that permits a professional corporation to engage in the business of public accounting if at least two-thirds of the shareholders are licensed in good standing as CPAs of this or another state or the equivalent in another licensing jurisdiction acceptable to the Board, and all other shareholders are licensed or legally authorized to render a professional service offered by the corporation.

Senate Bill 1241 would amend the Michigan Limited Liability Company Act would delete services rendered by a certified or other public accountant from the definitions of "services in a learned profession" and "professional service".

MCL 450.4904 (S.B. 1238)  
339.728 (S.B. 1239)  
450.224 (S.B. 1240)  
450.4102 & 450.4902 (S.B. 1241)

Legislative Analyst: N. Nagata

### **FISCAL IMPACT**

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

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.