

CORPORATE LAWS COMMITTEE
REPORT PREPARED FOR THE MARCH 5, 2026 COUNCIL MEETING

1. Next Scheduled Meeting of the Committee.

The Committee has no meetings currently scheduled but is communicating via e-mail and tracking the status of the recently-introduced BCA amendment legislation described below.

2. Council Approval.

The Committee does not seek Council approval of any matters at this meeting.

3. Membership.

The Committee remains open to participation by any interested parties. The Committee has approximately 75 members on its active roster, though many fewer who actively participate.

4. Accomplishments Toward Committee Objectives.

The activity of the Committee is directly related to the Strategic Plan mission of promoting improved legislation and regulation for business and the goal of reviewing Michigan laws affecting business formation, capital raising, corporate governance and related legal matters. The Committee attempts to keep Michigan corporate law current with national trends and competitive with the business law environments of other jurisdictions.

The Committee continues to monitor legislation that could affect Michigan corporation law. We have prepared draft legislation of amendments to the Michigan Business Corporation Act. It combines the benefit corporation provisions, which were separately introduced in 2024 but not adopted, with additional proposed amendments. Mike Molitor and Justin Klimko have been working with our lobbying firm (Michigan Legislative Consultants) in seeking sponsors and having discussions with legislators and legislative aides. The legislation was introduced as Senate Bill 789 of 2026 with bipartisan sponsorship on February 18, 2026. We also hope to have the bill introduced in the House soon.

Committee members have participated from time to time in preparation of amicus briefs on behalf of the Business Law Section, at the request of both the Michigan Court of Appeals and the Michigan Supreme Court. Past examples include Madugula v. Taub, Murphy v. Inman, Soaring Pine v Park, and Kircher v Boyne USA. Committee members are currently participating in the preparation of the proposed brief in the Michigan Supreme Court case of FCA US LLC v Kamax, Inc.

5. Meetings and Programs.

No programs are currently scheduled, but committee members have been involved with presentations at the Business Law Institute and Business Boot Camp.

6. Publications.

The Committee was responsible for the Fall 2023 edition of the Business Law Journal, which was published with articles from several contributors. It will be responsible for the Fall 2026 edition as well.

7. Methods of Monitoring Legislative/Judicial/Administrative Developments and Recommended Action.

The Committee monitors bills that would affect corporation statutes that are introduced without its input and considers these together with the Corporations Division of the Bureau of Commercial Services of the Department of Licensing and Regulatory Affairs. The Committee interacts with the Division and the Bureau frequently on matters of legislative interpretation and administrative practice.

The Committee also consults with the Division regarding efforts to further streamline corporate filings and information dissemination.

The Committee reviews judicial decisions affecting matters of Michigan corporate law. From time to time the Committee proposes statutory amendments that are intended to address the effects of specific case law. Additionally, as noted above, the Committee has prepared and filed amicus curiae briefs at the invitation of the Michigan Court of Appeals and the Michigan Supreme Court.

The Committee monitors developments and changes in the corporate laws of other states such as Delaware and developments and changes in the Model Business Corporation Act.

8. Miscellaneous.

The Committee will continue to accept ideas for technical and other amendments to the Business Corporation Act. Suggestions in this regard may be addressed to either committee co-chair.

Any questions regarding this report may be directed to Justin Klimko or Mike Molitor.

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