Chair’s Letter from Michael S. Khoury
The Section and ICLE hosted a successful 20th Annual Business Law Institute last month in Dearborn. If you missed it, you may wish to put next year’s Institute on your calendar right now. The 21st Annual Business Law Institute will be held in Grand Rapids at the Amway Grand Hotel from May 8-9.

Breaking News: Supreme Court Issues Miller Decision
The Michigan Supreme Court yesterday issued its ruling in the Miller v. Allstate case that has been the subject of much discussion in business law circles. The Supreme Court upheld the Court of Appeals’ decision denying Allstate’s attempt to avoid payment, but vacated the rationale. It held that only the Attorney General has standing to challenge proper incorporation. The Court made no ruling on the question of whether the service business was in fact properly incorporated. This will make the need for a legislative fix (passed in the House, but held in the Senate pending this ruling) even more important. Stay tuned.

"Gatekeeper” Legislation Worries Business Lawyers
If you have not heard yet, the U.S. Senate is considering legislation that will have a huge impact on business entity formation in the U.S. The bill would essentially require the person forming a business entity to verify and disclose the names of the individuals that ultimately hold the beneficial interest in the entity. According to the press release from Sen. Carl Levin, one of the sponsors, the Incorporation Transparency and Law Enforcement Assistance Act would:

Beneficial Ownership Information.
Require the States to obtain a list of the beneficial owners of each corporation or limited liability company (LLC) formed under their laws, ensure this information is updated annually, and provide the information to civil or criminal law enforcement upon receipt of a subpoena or summons.

Non-U.S. Beneficial Owners.
Require corporations and LLCs with non-U.S. beneficial owners to provide a certification from an in-state formation agent that the agent has verified the identity of those owners.

**Penalties for False Information.** Establish civil and criminal penalties under federal law for persons who knowingly provide false beneficial ownership information or intentionally fail to provide required beneficial ownership information to a State.

**Exemptions.** Provide exemptions for certain corporations, including publicly traded corporations and the corporations and LLCs they form, since the Securities and Exchange Commission already oversees them; and corporations which a State has determined, with concurrence from the Homeland Security and Justice Departments, should be exempt because requiring beneficial ownership information from them would not serve the public interest or assist law enforcement.

Opposition to the bill is already mounting, so stay tuned.