

# Legislative Analysis

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## MICHIGAN INVESTMENT MARKETS: DELAY IMPLEMENTATION DATE

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### House Bill 6079

Sponsor: Rep. Nancy E. Jenkins  
Committee: Commerce

*(Enacted as PA 415 of 2014)*

Complete to 12-9-14

## A SUMMARY OF HOUSE BILL 6079 AS INTRODUCED 12-4-14

Public Act 355 of 2014 (House Bill 5273) added an Article 4A to the Uniform Securities Act to regulate Michigan Investment Markets; that is, intrastate securities markets or exchanges. Under the act, a person cannot not transact business in Michigan as a Michigan Investment Market without being registered with the Department of Licensing and Regulatory Affairs, which houses the Corporations, Securities, and Commercial Licensing Bureau (CSCLB). The new law's effective date was October 21, 2014.

House Bill 6079 would delay the implementation of the act until May 1, 2015.

[Under the new act, the term "Michigan Investment Market" would be defined as a person that is a broker-dealer, is exempt from federal registration under the Securities Exchange Act of 1934, and provides a market or exchange at which transactions take place involving securities sold or offered for sale in Michigan under an intrastate offering exemption. "Market or exchange" would include an online market or exchange or any other market or exchange operated through a web portal.]

MCL 251.2453

## FISCAL IMPACT:

Public Act 355 of 2014 was created by House Bill 5273. When that bill was before the House, the House Fiscal Agency analysis said that the bill would have an indeterminate fiscal impact on the Corporations, Securities, and Commercial Licensing Bureau (CSCLB) within the Department of Licensing and Regulatory Affairs (LARA) to the extent that the implementation, administration, and enforcement of the registration of and regulations pertaining to Michigan Investment Markets engenders costs for the CSCLB and whether the \$500 initial application and \$250 annual renewal fees for registration are sufficient to support the CSCLB's costs to register and regulate Michigan Investment Markets.

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