

HOUSE BILL No. 5867

April 24, 2018, Introduced by Reps. Greig, Sheppard, Vaupel, Green, Lasinski, Chang, Love, Cochran, Pagan, Hoadley, Hertel, Dianda, Zemke, Yanez, Brinks, Garrett, Lucido, Iden, LaGrand, Canfield, Inman, Faris and Sneller and referred to the Committee on Commerce and Trade.

A bill to amend 1972 PA 284, entitled
"Business corporation act,"
(MCL 450.1101 to 450.2098) by adding chapter 9A.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

CHAPTER 9A

BENEFIT CORPORATIONS

SEC. 951. (1) AS USED IN THIS CHAPTER:

(A) "BENEFIT ENFORCEMENT PROCEEDING" MEANS A CLAIM ASSERTED OR ACTION BROUGHT DIRECTLY BY A BENEFIT CORPORATION, OR DERIVATIVELY ON BEHALF OF A BENEFIT CORPORATION, AGAINST A DIRECTOR OR OFFICER FOR ANY OF THE FOLLOWING:

(i) A FAILURE TO PURSUE THE GENERAL PUBLIC BENEFIT PURPOSE OF A BENEFIT CORPORATION OR ANY SPECIFIC PUBLIC BENEFIT PURPOSE SET FORTH IN THE ARTICLES OF A BENEFIT CORPORATION.

(ii) A VIOLATION OF A DUTY OR STANDARD OF CONDUCT UNDER THIS

1 CHAPTER.

2 (B) "GENERAL PUBLIC BENEFIT" MEANS A MATERIAL POSITIVE IMPACT
3 ON SOCIETY AND THE ENVIRONMENT, TAKEN AS A WHOLE, AS MEASURED BY A
4 THIRD-PARTY STANDARD, FROM THE BUSINESS AND OPERATIONS OF A BENEFIT
5 CORPORATION.

6 (C) "MINIMUM STATUS VOTE" MEANS AN AUTHORIZATION OR APPROVAL
7 OF A CORPORATE ACTION BY THE SHAREHOLDERS OF A BENEFIT CORPORATION
8 THAT MEETS ALL OF THE FOLLOWING:

9 (i) IT MEETS THE SHAREHOLDER APPROVAL OR VOTE REQUIREMENTS OF
10 THIS ACT.

11 (ii) IT MEETS ANY SHAREHOLDER APPROVAL OR VOTE REQUIREMENTS
12 INCLUDED IN ANY PROVISIONS OF THE ARTICLES OF INCORPORATION.

13 (iii) THE SHAREHOLDERS OF EVERY CLASS OR SERIES ARE ENTITLED
14 TO VOTE ON THE CORPORATE ACTION REGARDLESS OF A LIMITATION STATED
15 IN THE ARTICLES OF INCORPORATION OR BYLAWS ON THE VOTING RIGHTS OF
16 ANY CLASS OR SERIES.

17 (iv) THE CORPORATE ACTION IS APPROVED BY VOTE OF THE
18 SHAREHOLDERS OF EACH CLASS OR SERIES ENTITLED TO CAST AT LEAST 2/3
19 OF THE VOTES THAT ALL SHAREHOLDERS OF THE CLASS OR SERIES ARE
20 ENTITLED TO CAST ON THE ACTION.

21 (D) "SPECIFIC PUBLIC BENEFIT" INCLUDES, BUT IS NOT LIMITED TO,
22 ANY OF THE FOLLOWING:

23 (i) PROVIDING LOW-INCOME OR UNDERSERVED INDIVIDUALS OR
24 COMMUNITIES WITH BENEFICIAL PRODUCTS OR SERVICES.

25 (ii) PROMOTING ECONOMIC OPPORTUNITY FOR INDIVIDUALS OR
26 COMMUNITIES BEYOND THE CREATION OF JOBS IN THE NORMAL COURSE OF
27 BUSINESS.

1 (iii) PRESERVING THE ENVIRONMENT.

2 (iv) IMPROVING HUMAN HEALTH.

3 (v) PROMOTING THE ARTS, SCIENCES, OR ADVANCEMENT OF KNOWLEDGE.

4 (vi) INCREASING THE FLOW OF CAPITAL TO ENTITIES THAT HAVE A
5 PUBLIC BENEFIT PURPOSE.

6 (vii) CONFERRING ANY OTHER PARTICULAR BENEFIT ON SOCIETY OR
7 THE ENVIRONMENT.

8 (E) IN RELATION TO A PERSON, "SUBSIDIARY" MEANS AN ENTITY IN
9 WHICH THE PERSON OWNS BENEFICIALLY OR OF RECORD 50% OR MORE OF THE
10 OUTSTANDING EQUITY INTERESTS. FOR PURPOSES OF DETERMINING A
11 PERSON'S OWNERSHIP PERCENTAGE UNDER THIS SUBDIVISION, ANY
12 OUTSTANDING RIGHTS TO ACQUIRE EQUITY INTERESTS IN AN ENTITY ARE
13 CONSIDERED OUTSTANDING EQUITY INTERESTS IN THAT ENTITY.

14 (F) "THIRD-PARTY STANDARD" MEANS A STANDARD FOR DEFINING,
15 REPORTING, AND ASSESSING OVERALL CORPORATE SOCIAL AND ENVIRONMENTAL
16 PERFORMANCE THAT IS ALL OF THE FOLLOWING:

17 (i) COMPREHENSIVE, IN THAT IT ASSESSES THE EFFECT OF THE
18 BUSINESS AND ITS OPERATIONS ON THE INTERESTS LISTED IN SECTION
19 957(1) (A) (ii) TO (v) .

20 (ii) DEVELOPED BY AN ORGANIZATION THAT IS INDEPENDENT OF THE
21 BENEFIT CORPORATION AND SATISFIES THE FOLLOWING REQUIREMENTS:

22 (A) NOT MORE THAN 1/3 OF THE MEMBERS OF THE GOVERNING BODY OF
23 THE ORGANIZATION ARE REPRESENTATIVES OF EITHER OF THE FOLLOWING:

24 (I) AN ASSOCIATION OF BUSINESSES OPERATING IN A SPECIFIC
25 INDUSTRY IF THE PERFORMANCE OF THE MEMBER BUSINESSES IS MEASURED BY
26 THE STANDARD.

27 (II) BUSINESSES WHOSE PERFORMANCE IS MEASURED BY THE STANDARD.

1 (B) THE ORGANIZATION IS NOT MATERIALLY FINANCED BY AN
2 ASSOCIATION OR BUSINESS DESCRIBED IN SUB-SUBPARAGRAPH (A) .

3 (iii) CREDIBLE, BECAUSE THE STANDARD IS DEVELOPED BY A PERSON
4 THAT MEETS BOTH OF THE FOLLOWING:

5 (A) THE PERSON HAS ACCESS TO NECESSARY EXPERTISE TO ASSESS
6 OVERALL CORPORATE SOCIAL AND ENVIRONMENTAL PERFORMANCE.

7 (B) THE PERSON USES A BALANCED MULTISTAKEHOLDER APPROACH THAT
8 INCLUDES A PUBLIC COMMENT PERIOD OF AT LEAST 30 DAYS TO DEVELOP THE
9 STANDARD.

10 (iv) TRANSPARENT, BECAUSE ALL OF THE FOLLOWING ARE PUBLICLY
11 AVAILABLE:

12 (A) THE CRITERIA CONSIDERED IN THE STANDARD WHEN MEASURING THE
13 OVERALL SOCIAL AND ENVIRONMENTAL PERFORMANCE OF A BUSINESS, AND THE
14 RELATIVE WEIGHTINGS OF THOSE CRITERIA.

15 (B) THE FOLLOWING INFORMATION ABOUT THE DEVELOPMENT AND
16 REVISION OF THE STANDARD:

17 (I) THE IDENTITY OF THE DIRECTORS, OFFICERS, ANY MATERIAL
18 OWNERS, AND THE GOVERNING BODY OF THE ORGANIZATION THAT DEVELOPED
19 AND CONTROLS REVISIONS TO THE STANDARD.

20 (II) THE PROCESS BY WHICH REVISIONS TO THE STANDARD AND
21 CHANGES TO THE MEMBERSHIP OF THE GOVERNING BODY ARE MADE.

22 (III) AN ACCOUNTING OF THE SOURCES OF FINANCIAL SUPPORT FOR
23 THE ORGANIZATION, WITH SUFFICIENT DETAIL TO DISCLOSE ANY
24 RELATIONSHIPS THAT COULD REASONABLY BE CONSIDERED TO PRESENT A
25 POTENTIAL CONFLICT OF INTEREST.

26 (2) THIS CHAPTER DOES NOT APPLY TO ANY CORPORATION THAT IS NOT
27 A BENEFIT CORPORATION OR TO A CORPORATION THAT TERMINATES ITS

1 STATUS AS A BENEFIT CORPORATION UNDER SECTION 953(4).

2 (3) IF THERE IS A CONFLICT BETWEEN A SPECIFIC PROVISION OF
3 THIS CHAPTER AND A GENERAL PROVISION OF THIS ACT, THE PROVISION OF
4 THIS CHAPTER APPLIES WITH RESPECT TO A BENEFIT CORPORATION.

5 SEC. 953. (1) A DOMESTIC CORPORATION THAT MEETS ALL OF THE
6 FOLLOWING IS A BENEFIT CORPORATION AND SUBJECT TO THIS CHAPTER:

7 (A) THE CORPORATION IS FORMED UNDER THIS ACT.

8 (B) THE ARTICLES OF THE CORPORATION STATE THAT IT IS A BENEFIT
9 CORPORATION. HOWEVER, AN AMENDMENT TO THE ARTICLES TO INCLUDE THE
10 STATEMENT DESCRIBED IN THIS SUBDIVISION IS NOT EFFECTIVE UNLESS IT
11 IS ADOPTED BY A MINIMUM STATUS VOTE. A SHAREHOLDER THAT DOES NOT
12 VOTE FOR OR CONSENT IN WRITING TO THE AMENDMENT MAY DISSENT UNDER
13 SECTION 762 AND RECEIVE PAYMENT FOR THE SHARES.

14 (2) IN ADDITION TO THE PURPOSES DESCRIBED IN SECTION 202(B),
15 THE PURPOSES OF A BENEFIT CORPORATION MAY ALSO INCLUDE 1 OR MORE
16 SPECIFIC PUBLIC BENEFITS IDENTIFIED IN THE ARTICLES, BUT THE
17 IDENTIFICATION OF A SPECIFIC PUBLIC BENEFIT UNDER THIS SUBDIVISION
18 DOES NOT LIMIT THE OBLIGATION OF A BENEFIT CORPORATION TO CREATE
19 GENERAL PUBLIC BENEFIT.

20 (3) AN AMENDMENT TO THE ARTICLES OF INCORPORATION OF A BENEFIT
21 CORPORATION TO CHANGE THE PURPOSES OF THE CORPORATION BY ADDING,
22 AMENDING, OR DELETING 1 OR MORE SPECIFIC PUBLIC BENEFITS IS NOT
23 EFFECTIVE UNLESS IT IS ADOPTED BY A MINIMUM STATUS VOTE. A
24 SHAREHOLDER THAT DOES NOT VOTE FOR OR CONSENT IN WRITING TO THE
25 AMENDMENT MAY DISSENT UNDER SECTION 762 AND RECEIVE PAYMENT FOR THE
26 SHARES.

27 (4) A BENEFIT CORPORATION MAY TERMINATE ITS STATUS AS A

1 BENEFIT CORPORATION BY AMENDING ITS ARTICLES TO REMOVE THE
2 PROVISIONS DESCRIBED IN THIS SECTION. HOWEVER, EACH OF THE
3 FOLLOWING APPLIES TO AN AMENDMENT TO THE ARTICLES DESCRIBED IN THIS
4 SUBSECTION:

5 (A) THE AMENDMENT IS NOT EFFECTIVE UNLESS IT IS ADOPTED BY A
6 MINIMUM STATUS VOTE.

7 (B) A SHAREHOLDER THAT DOES NOT VOTE FOR OR CONSENT IN WRITING
8 TO THE AMENDMENT MAY DISSENT UNDER SECTION 762 AND RECEIVE PAYMENT
9 FOR THE SHARES.

10 SEC. 955. (1) IN ADDITION TO THE REQUIREMENTS OF CHAPTER 7, IF
11 A DOMESTIC CORPORATION THAT IS NOT A BENEFIT CORPORATION IS A
12 CONSTITUENT CORPORATION IN A MERGER OR AN EXCHANGING CORPORATION IN
13 A SHARE EXCHANGE, AND THE SURVIVING OR ACQUIRING CORPORATION WILL
14 BE A BENEFIT CORPORATION UNDER THE PLAN OF MERGER OR SHARE
15 EXCHANGE, THE PLAN MUST BE APPROVED BY A MINIMUM STATUS VOTE OF
16 THAT CONSTITUENT OR EXCHANGING CORPORATION.

17 (2) IN ADDITION TO THE REQUIREMENTS OF CHAPTER 7, A PLAN OF
18 MERGER OR SHARE EXCHANGE THAT WOULD HAVE THE EFFECT OF TERMINATING
19 THE STATUS OF A DOMESTIC CORPORATION AS A BENEFIT CORPORATION MUST
20 BE APPROVED BY A MINIMUM STATUS VOTE OF THAT CORPORATION.

21 (3) A SHAREHOLDER OF A CORPORATION THAT IS NOT A BENEFIT
22 CORPORATION MAY DISSENT UNDER SECTION 762 AND RECEIVE PAYMENT FOR
23 THE SHARES IF THE SHAREHOLDER DID NOT VOTE FOR OR CONSENT IN
24 WRITING TO A PLAN OF MERGER OR SHARE EXCHANGE UNDER SUBSECTION (1)
25 AND THE SHAREHOLDER HELD THE SHARES IMMEDIATELY BEFORE THE
26 EFFECTIVE TIME OF THE MERGER OR SHARE EXCHANGE.

27 SEC. 957. (1) ALL OF THE FOLLOWING APPLY TO THE BOARD,

1 COMMITTEES OF THE BOARD, AND INDIVIDUAL DIRECTORS OF A BENEFIT
2 CORPORATION, AND TO ANY OFFICER OF A BENEFIT CORPORATION WHO HAS
3 DISCRETION TO ACT WITH RESPECT TO ANY MATTER IF IT REASONABLY
4 APPEARS TO THE OFFICER THAT THE MATTER MAY HAVE A MATERIAL EFFECT
5 ON THE CREATION OF GENERAL PUBLIC BENEFIT OR A SPECIFIC PUBLIC
6 BENEFIT BY THE BENEFIT CORPORATION, IN DISCHARGING THE DUTIES OF
7 THEIR RESPECTIVE POSITIONS AND IN CONSIDERING THE BEST INTERESTS OF
8 THE BENEFIT CORPORATION:

9 (A) THEY SHALL CONSIDER THE EFFECTS OF ANY ACTION ON ALL OF
10 THE FOLLOWING:

11 (i) THE SHAREHOLDERS OF THE BENEFIT CORPORATION.

12 (ii) THE EMPLOYEES AND WORK FORCE OF THE BENEFIT CORPORATION
13 AND ITS SUBSIDIARIES AND SUPPLIERS.

14 (iii) THE INTERESTS OF CUSTOMERS AS BENEFICIARIES OF THE
15 GENERAL PUBLIC BENEFIT AND ANY SPECIFIC PUBLIC BENEFIT INCLUDED IN
16 THE PURPOSE OF THE BENEFIT CORPORATION.

17 (iv) COMMUNITY AND SOCIETAL CONSIDERATIONS, INCLUDING THOSE OF
18 EACH COMMUNITY IN WHICH OFFICES OR FACILITIES OF THE BENEFIT
19 CORPORATION AND ITS SUBSIDIARIES AND SUPPLIERS ARE LOCATED.

20 (v) THE LOCAL AND GLOBAL ENVIRONMENT.

21 (vi) THE SHORT-TERM AND LONG-TERM INTERESTS OF THE BENEFIT
22 CORPORATION, INCLUDING BENEFITS THAT MAY ACCRUE TO THE BENEFIT
23 CORPORATION FROM ITS LONG-TERM PLANS AND THE POSSIBILITY THAT THESE
24 INTERESTS AND THE GENERAL PUBLIC BENEFIT AND ANY SPECIFIC PUBLIC
25 BENEFIT INCLUDED IN THE PURPOSE OF THE BENEFIT CORPORATION MAY BE
26 BEST SERVED BY THE CONTINUED INDEPENDENCE OF THE BENEFIT
27 CORPORATION.

1 (vii) THE ABILITY OF THE BENEFIT CORPORATION TO ACCOMPLISH
2 GENERAL PUBLIC BENEFIT AND ANY SPECIFIC PUBLIC BENEFIT INCLUDED IN
3 THE PURPOSES OF THE BENEFIT CORPORATION.

4 (B) IN EVALUATING A PERSON'S PROPOSED ACQUISITION OF CONTROL
5 OF THE BENEFIT CORPORATION, THEY MAY CONSIDER, IN ADDITION TO THE
6 EFFECTS OF THE PROPOSED ACQUISITION ON THE PERSONS, INTERESTS, OR
7 FACTORS DESCRIBED IN SUBDIVISION (A) (i) TO (vii), THE RESOURCES,
8 INTENT, AND CONDUCT OF THE PERSON SEEKING TO ACQUIRE CONTROL OF THE
9 BENEFIT CORPORATION.

10 (C) THEY MAY CONSIDER ANY OTHER PERTINENT FACTORS OR THE
11 INTERESTS OF ANY OTHER GROUP THAT THEY CONSIDER APPROPRIATE.

12 (D) THEY ARE NOT REQUIRED TO GIVE PRIORITY TO THE INTERESTS OF
13 A PARTICULAR PERSON OR GROUP DESCRIBED IN SUBDIVISION (A), (B), OR
14 (C) OVER THE INTERESTS OF ANY OTHER PERSON OR GROUP UNLESS THE
15 BENEFIT CORPORATION HAS STATED ITS INTENTION IN ITS ARTICLES TO
16 GIVE PRIORITY TO INTERESTS RELATED TO A SPECIFIC PUBLIC BENEFIT
17 PURPOSE IDENTIFIED IN ITS ARTICLES.

18 (2) THE CONSIDERATION OF INTERESTS AND FACTORS BY A DIRECTOR
19 OR OFFICER OF A BENEFIT CORPORATION UNDER SUBSECTION (1) IN THE
20 DISCHARGE OF HIS OR HER DUTIES DOES NOT CONSTITUTE A VIOLATION OF
21 SECTION 541A.

22 (3) A DIRECTOR OR OFFICER WHO MAKES A BUSINESS JUDGMENT IN
23 GOOD FAITH FULFILLS HIS OR HER DUTIES UNDER THIS SECTION IF THE
24 DIRECTOR OR OFFICER MEETS ALL OF THE FOLLOWING:

25 (A) IS NOT INTERESTED IN THE SUBJECT OF THE BUSINESS JUDGMENT.

26 (B) IS INFORMED WITH RESPECT TO THE SUBJECT OF THE BUSINESS
27 JUDGMENT TO THE EXTENT THE DIRECTOR REASONABLY BELIEVES TO BE

1 APPROPRIATE UNDER THE CIRCUMSTANCES.

2 (C) RATIONALLY BELIEVES THAT THE BUSINESS JUDGMENT IS IN THE
3 BEST INTERESTS OF THE BENEFIT CORPORATION.

4 (4) A DIRECTOR OF A BENEFIT CORPORATION IS NOT LIABLE FOR
5 MONETARY DAMAGES TO THE CORPORATION, THE SHAREHOLDERS, OR ANY
6 PERSON THAT CLAIMS TO BE A BENEFICIARY OF A GENERAL OR SPECIFIC
7 PUBLIC BENEFIT FOR A FAILURE TO FULFILL A DUTY ARISING UNDER THIS
8 CHAPTER OR SOLELY BECAUSE HE OR SHE PERFORMED DUTIES IN COMPLIANCE
9 WITH THIS SECTION.

10 (5) A DIRECTOR OR OFFICER OF A BENEFIT CORPORATION DOES NOT
11 HAVE A DUTY TO A PERSON THAT IS A BENEFICIARY OF THE GENERAL OR ANY
12 SPECIFIC PUBLIC BENEFIT PURPOSES OF THE BENEFIT CORPORATION ARISING
13 FROM THE STATUS OF THE PERSON AS A BENEFICIARY.

14 (6) ANY CORPORATE ACTION TAKEN BY A BENEFIT CORPORATION TO
15 ADVANCE GENERAL PUBLIC BENEFIT OR ANY SPECIFIC PUBLIC BENEFIT
16 INCLUDED IN THE PURPOSE OF THE CORPORATION UNDER SECTION 953(2) IS
17 PRESUMED TO BE IN THE BEST INTERESTS OF THE BENEFIT CORPORATION.

18 SEC. 959. (1) THE DUTIES OF ANY DIRECTORS AND OFFICERS OF A
19 BENEFIT CORPORATION ARISING UNDER THIS CHAPTER, OR THE GENERAL
20 PUBLIC BENEFIT PURPOSE OR ANY SPECIFIC PUBLIC BENEFIT PURPOSE OF A
21 BENEFIT CORPORATION ORGANIZED UNDER THIS CHAPTER, MAY BE ENFORCED
22 ONLY IN A BENEFIT ENFORCEMENT PROCEEDING UNDER THIS SECTION. A
23 PERSON SHALL NOT BRING AN ACTION OR ASSERT A CLAIM AGAINST A
24 BENEFIT CORPORATION OR ITS DIRECTORS OR OFFICERS WITH RESPECT TO
25 THE DUTIES UNDER THIS CHAPTER OF ANY DIRECTORS OR OFFICERS OF THE
26 BENEFIT CORPORATION OR THE GENERAL PUBLIC BENEFIT PURPOSE OR ANY
27 SPECIFIC PUBLIC BENEFIT PURPOSE OF THE BENEFIT CORPORATION

1 ORGANIZED UNDER THIS CHAPTER EXCEPT IN A BENEFIT ENFORCEMENT
2 PROCEEDING UNDER THIS SECTION.

3 (2) A BENEFIT ENFORCEMENT PROCEEDING AGAINST A BENEFIT
4 CORPORATION MAY BE COMMENCED OR MAINTAINED ONLY BY 1 OF THE
5 FOLLOWING:

6 (A) DIRECTLY, BY THE BENEFIT CORPORATION.

7 (B) DERIVATIVELY, BY ANY OF THE FOLLOWING:

8 (i) A SHAREHOLDER OF THE BENEFIT CORPORATION THAT OWNS
9 BENEFICIALLY OR OF RECORD, INDIVIDUALLY OR COLLECTIVELY, AS OF THE
10 DATE THE BENEFIT ENFORCEMENT PROCEEDING IS INSTITUTED, EITHER OF
11 THE FOLLOWING:

12 (A) AT LEAST 2% OF THE CORPORATION'S OUTSTANDING SHARES.

13 (B) IF THE SHARES OF THE BENEFIT CORPORATION ARE LISTED ON A
14 NATIONAL SECURITIES EXCHANGE, 2% OF THE CORPORATION'S OUTSTANDING
15 SHARES, OR SHARES THAT HAVE A MARKET VALUE OF \$2,000,000.00,
16 WHICHEVER IS LESS.

17 (ii) A DIRECTOR OF THE BENEFIT CORPORATION.

18 (iii) A PERSON OR GROUP OF PERSONS THAT OWNS BENEFICIALLY OR
19 OF RECORD 5% OR MORE OF THE OUTSTANDING VOTING POWER IN THE
20 ELECTION OF DIRECTORS OF AN ENTITY OF WHICH THE BENEFIT CORPORATION
21 IS A SUBSIDIARY OR THE RIGHT TO RECEIVE 5% OR MORE OF THE
22 DISTRIBUTIONS TO SHAREHOLDERS MADE BY AN ENTITY OF WHICH THE
23 BENEFIT CORPORATION IS A SUBSIDIARY.

24 (iv) ANY OTHER PERSON SPECIFIED IN THE ARTICLES OR BYLAWS OF
25 THE BENEFIT CORPORATION.

26 (3) A BENEFIT CORPORATION IS NOT LIABLE FOR MONETARY DAMAGES
27 UNDER THIS CHAPTER FOR ANY FAILURE OF THE BENEFIT CORPORATION TO

1 PURSUE OR CREATE GENERAL PUBLIC BENEFIT OR A SPECIFIC PUBLIC
2 BENEFIT.

3 (4) AN ACTION AGAINST A DIRECTOR OR OFFICER FOR FAILURE TO
4 PERFORM ANY OF THE DUTIES IMPOSED UNDER THIS SECTION SHALL BE
5 COMMENCED WITHIN 3 YEARS AFTER THE CAUSE OF ACTION HAS ACCRUED, OR
6 WITHIN 2 YEARS AFTER THE TIME WHEN THE CAUSE OF ACTION IS
7 DISCOVERED OR SHOULD REASONABLY HAVE BEEN DISCOVERED BY THE
8 COMPLAINANT, WHICHEVER OCCURS FIRST.

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

11 Enacting section 2. This amendatory act does not take effect
12 unless all of the following bills of the 99th Legislature are
13 enacted into law:

14 (a) Senate Bill No. ____ or House Bill No. 5872 (request no.
15 00377'17).

16 (b) Senate Bill No. ____ or House Bill No. 5868 (request no.
17 00830'17).

18 (c) Senate Bill No. ____ or House Bill No. 5869 (request no.
19 00831'17).