

Legislative Analysis



AUTHORIZE THE CONVERSION OF SUMMER RESORT ASSOCIATIONS INTO NONPROFIT CORPORATIONS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bills 5863 and 5864 as introduced

Sponsor: Rep. John R. Roth

Committee: Local Government and Municipal Finance

Complete to 3-21-22

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bills 5863 and 5864 would amend 1897 PA 230 and the Nonprofit Corporation Act, respectively, to allow summer resort and park associations to convert into domestic nonprofit corporations.

1897 PA 230 allows for the formation of corporations for the purpose of owning, maintaining, and improving land and other property kept as a summer resort or a park.

The bills would allow a summer resort association formed under 1897 PA 230 to convert into a domestic nonprofit corporation by satisfying requirements of the Nonprofit Corporation Act concerning the conversion of a business organization into a domestic corporation and adopting bylaws in accordance with the Nonprofit Corporation Act.

Each bill would take effect 90 days after being enacted into law, but neither bill would take effect unless the other bill were also enacted.

HB 5863: Proposed MCL 455.19

HB 5864: MCL 450.2123

BACKGROUND:

The bills are similar to House Bills 4048 and 4049 of the 2019-20 legislative session, which were re-referred to House committee after having been reported, and to House Bills 5508 and 5509 of the 2017-18 legislative session, which were passed by the House and reported from the Senate Commerce committee.

FISCAL IMPACT:

House Bills 5863 and 5864 would have no fiscal impact on any unit of state or local government.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.