

SENATE BILL No. 535

June 12, 2001, Introduced by Senator STILLE and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

A bill to amend 1927 PA 10, entitled

"An act to authorize cemetery corporations to sell or convey property rights, franchises and liabilities to a municipal corporation,"

by amending the title and sections 1, 2, 3, and 4 (MCL 456.181, 456.182, 456.183, and 456.184).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

An act to authorize cemetery corporations, PARTNERSHIPS, LIMITED LIABILITY COMPANIES, AND OTHER LEGAL ENTITIES to sell, ASSIGN, or convey property rights, franchises, and liabilities to a municipal corporation.

Sec. 1. (1) ~~Any corporation~~ A LEGAL ENTITY organized under any law of this state for the purpose of establishing or maintaining a cemetery ~~or burying ground is hereby authorized~~ to MAY sell, assign, transfer, or convey to any municipal

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1 corporation ~~,~~ in which ~~such~~ THE cemetery ~~or burying ground~~
 2 is located or to any municipal corporation ~~being~~ within 10
 3 miles of the municipal corporation in which ~~such~~ THAT cemetery
 4 is located ~~,~~ all or any part of its assets, rights, franchises,
 5 and liabilities. ~~upon such~~ THE SALE, ASSIGNMENT, TRANSFER, OR
 6 CONVEYANCE MAY ALSO BE AS A RESULT OF THE DISPOSITION OF THE CEM-
 7 ETERY AND ITS ASSETS AND LIABILITIES UNDER A RECEIVERSHIP OR CON-
 8 SERVATORSHIP ACTION UNDER SECTION 9 OF THE CEMETERY REGULATION
 9 ACT, 1968 PA 251, MCL 456.529.

10 (2) THE SALE, ASSIGNMENT, TRANSFER, OR CONVEYANCE UNDER SUB-
 11 SECTION (1) MAY BE ACCORDING TO terms as ~~may be~~ ARE ORDERED OR
 12 mutually agreed upon, ~~whenever~~ UNDER EITHER OF THE FOLLOWING
 13 CIRCUMSTANCES:

14 (A) THE OWNER, PARTNER, OR a majority of the owners, STOCK-
 15 HOLDERS, PARTNERS, OR MEMBERS of the stock or ~~scrip~~ OTHER EVI-
 16 DENCE OF OWNERSHIP OR CONTROL issued by ~~said cemetery~~
 17 ~~corporation~~ THE LEGAL ENTITY present and voting ~~shall,~~ at a
 18 special meeting called for that purpose. ~~, decide to do so.~~

19 (B) PURSUANT TO AN ORDER OF A COURT OF COMPETENT JURISDIC-
 20 TION AS DESCRIBED IN SUBSECTION (1).

21 (3) ~~The term "municipal"~~ AS USED IN THIS ACT:

22 (A) "LEGAL ENTITY" MEANS A SOLE PROPRIETORSHIP, PARTNERSHIP,
 23 CORPORATION, LIMITED LIABILITY COMPANY, OR ANY OTHER ENTITY.

24 (B) "MUNICIPAL corporation" ~~as used in this act shall be~~
 25 ~~construed to mean any~~ MEANS A county, township, city, or
 26 village.

1 Sec. 2. (1) ~~The~~ EXCEPT AS OTHERWISE PROVIDED IN
 2 SUBSECTION (2), THE GOVERNING board of ~~directors or trustees of~~
 3 ~~said cemetery corporation~~ THE LEGAL ENTITY, AS APPLICABLE, may
 4 ~~,~~ at a regular meeting ~~thereof,~~ pass a resolution containing
 5 the substance of the contract of conveyance proposed to be
 6 entered into between ~~said corporation~~ THE LEGAL ENTITY and
 7 ~~any~~ A municipal corporation ~~,~~ and calling a special meeting
 8 of the OWNERS, PARTNERS, MEMBERS, OR stockholders ~~or scrip~~
 9 holders for the purpose of authorizing ~~such~~ THAT transfer.

10 (2) A CEMETERY MAY BE TRANSFERRED TO A MUNICIPAL CORPORATION
 11 IN WHICH THE CEMETERY IS LOCATED PURSUANT TO A COURT ORDER ISSUED
 12 AS A RESULT OF A RECEIVERSHIP OR CONSERVATORSHIP ACTION CONDUCTED
 13 UNDER SECTION 9 OF THE CEMETERY REGULATION ACT, 1968 PA 251, MCL
 14 456.529, WITHOUT A RESOLUTION EXECUTED BY THE GOVERNING BOARD OF
 15 THE LEGAL ENTITY UNDER SUBSECTION (1).

16 Sec. 3. (1) ~~Notice~~ EXCEPT AS OTHERWISE PROVIDED FOR IN
 17 SUBSECTION (2), NOTICE of ~~such~~ A meeting PURSUANT TO SECTION 2
 18 shall be given by publication of a notice for 6 consecutive weeks
 19 previous to the time of holding ~~such~~ THE meeting in a newspaper
 20 published and circulated in the county ~~wherein said corporation~~
 21 IN WHICH THE LEGAL ENTITY has its principal office or place of
 22 business. ~~such~~ THE notice shall state the time and place of
 23 ~~such~~ THE meeting, ~~and the~~ ITS purpose, ~~thereof,~~ and the
 24 substance of the PROPOSED contract of conveyance. ~~proposed to be~~
 25 entered into. Proof of ~~such~~ publication shall be filed with
 26 the secretary of ~~said corporation at~~ THE LEGAL ENTITY, AS
 27 APPLICABLE, ON or before ~~such~~ THE DATE OF meeting.

1 (2) THIS SECTION DOES NOT APPLY IF THE SALE, ASSIGNMENT,
2 TRANSFER, OR CONVEYANCE IS THE RESULT OF THE DISPOSITION OF THE
3 CEMETERY AND ITS ASSETS AND LIABILITIES UNDER A RECEIVERSHIP OR
4 CONSERVATORSHIP UNDER SECTION 9 OF THE CEMETERY REGULATION ACT,
5 1968 PA 251, MCL 456.529.

6 Sec. 4. (1) ~~None of the~~ THE legal rights and privileges,
7 statutory or otherwise, of THE OWNERS, stockholders, ~~scrip hold-~~
8 ~~ers and lot holders of said corporation, shall be~~ PARTNERS, OR
9 MEMBERS ARE NOT affected by the contract or conveyance by which
10 ~~said~~ THE cemetery property is transferred to a municipal
11 corporation. ~~, but said~~ THE municipal corporation shall assume
12 and perform all liabilities, charges, and duties, statutory or
13 otherwise, imposed upon or assumed by ~~said~~ THE MUNICIPAL
14 corporation, ~~and~~ fully perform all existing contracts or agree-
15 ments of ~~said~~ THE cemetery, ~~corporation~~ and ~~shall~~ carry out
16 and perform all provisions as to maintenance whether imposed upon
17 ~~said corporation~~ THE LEGAL ENTITY by statute or assumed by its
18 ~~by-laws and any~~ BYLAWS OR OTHER ORIGINATING DOCUMENTATION.

19 (2) ANY fund for maintenance as provided by statute or by
20 the ~~by-laws~~ BYLAWS OR OTHER ORIGINATING DOCUMENTATION of ~~said~~
21 ~~corporation~~ THE LEGAL ENTITY shall be ~~by it~~ turned over to
22 ~~said~~ THE municipal corporation and ~~shall be by said municipal~~
23 ~~corporation~~ preserved, applied, and used as ~~shall have been by~~
24 REQUIRED UNDER statute or ~~by said by-laws provided~~ UNDER BYLAWS
25 OR OTHER ORIGINATING DOCUMENTS.

26 Enacting section 1. This amendatory act does not take
27 effect unless Senate Bill No. 534

1 of the 91st Legislature is enacted into
2 law.