



Senate Fiscal Agency
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Senate Bill 101 (as introduced 3-1-23)

(Senate-passed version)

Sponsor: Senator Sarah Anthony

Committee: Health Policy

Date Completed: 3-7-23

CONTENT

The bill would amend Chapter 52 (Corporate Powers, Procedures of Stock and Mutual Insurers) of the Insurance Code to eliminate September 30, 2022, sunsets on provisions that allow stockholders or directors to adopt bylaws permitting, and to conduct, meetings through electronic means.

Under the Code, the stockholders or members of a corporation may adopt bylaws that they consider advisable. Until September 30, 2022, the bylaws could have provided for the following:

- One or more directors could have participated in a regular or special meeting of the board, or a committee of the board, or conducted the meeting by means of electronic communication devices that enabled all participants in the meeting to communicate with each other and would have been deemed present and in person at the meeting.
- Any meeting of the stockholders or members could have been conducted by means of electronic communication devices by which all stockholders or members participating could have participated simultaneously and would have been deemed present.

In addition, until September 30, 2022, if bylaws had to be amended to allow meetings to be conducted through electronic communication devices, an amendment could have been adopted electronically to do so.

Until September 30, 2022, the Code allowed a meeting of stockholders or members to be conducted by means of electronic communication devices by which all members participated simultaneously. The stockholders or members participating in the meeting would have been deemed present. Until that date, the Code also allowed a board of directors to permit one or more directors to participate in a regular or special meeting of the board, or committee of the board, to conduct the meeting by means of electronic communication devices that enabled all participants in the meeting to communicate with each other. A director participating in the meeting would be deemed present in person at the meeting.

The bill would delete the September 30, 2022, sunsets described above (which, in effect, would allow those provisions to resume).

MCL 500.5228 et al.

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Jonah Houtz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.