

STATE BAR OF MICHIGAN BUSINESS LAW SECTION

Nonprofit Corporations Committee Report

December 3, 2011

1. Next Scheduled Meeting of the Committee. There will be a meeting of the full Committee in late February or early March, but it has not yet been scheduled. A meeting of the subcommittee working on amendments to the Nonprofit Corporation Act has been tentatively set for Thursday, January 5, 2012, at 3:00 p.m. in the Dykema office at 2723 South State Street in Ann Arbor. A meeting of the education and program committee will also be scheduled. Active members will receive a notice confirming the time and location of these meetings and copies of the meeting materials. Others interested in participating should contact one of the Committee Co-Chairs for further information.

2. Council Approval

None, but it is anticipated that the Council meeting will include a presentation summarizing the proposed amendments to the Nonprofit Corporation Act.

3. Membership

The Committee continues to welcome active members who will assist in (i) reviewing and obtaining legislative approval of the amendments to the Nonprofit Corporation Act; (ii) planning and participating in educational and social programs; (iii) preparing articles for the Section *Journal*; and (iv) monitoring Michigan tax legislation affecting nonprofit organizations. Interested lawyers should contact one of the Committee Co-Chairs.

4. Accomplishments Toward Committee Objectives

Jane Forbes has prepared an updated draft of the Amendments to the Nonprofit Corporation Act. This draft includes: (i) revisions that were made in the Nonprofit Corporation Act and the Business Corporation Act made since the most recent draft was completed and approved; (ii) extensive "plain English" changes in the text of the amendments conforming it to a draft of proposed legislation prepared by the Legislative Service Bureau; (iii) changes that were in a proposed separate bill that was approved by the Council in 2008; (iv) provisions currently in the Business Corporation Act that will allow nonprofit corporations to convert to LLCs and other kinds of business organizations (and vice versa); and (v) language changes designed to permit churches to incorporate under the Nonprofit Corporation Act (as opposed to requiring that they use provisions governing ecclesiastical corporations under the General Corporation Act or separate denominational statutes).

5. Meetings and Programs

See the information about the Committee meetings above.

6. Publications

The Committee is responsible for providing articles for the Summer 2012 issue of the *Michigan Business Law Journal*. Submissions will be due on March 31. The Committee is currently seeking lawyers who are interested in preparing articles and in coordinating this project.

7. Legislative/Judicial/Administrative Developments

None.

8. Miscellaneous

None.

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