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BILL ANALYSIS

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Senate Bill 396 (as reported without amendment)
Sponsor: Senator Randy Richardville
Committee: Education

CONTENT

The bill would amend Public Act 72 of 1857, which governs Albion College, to do the following:

- Revise the membership of the college's board of trustees.
- Provide that volunteer trustees and nontrustee volunteers who were officers would not be liable to the college for monetary damages for a breach of fiduciary duty, subject to certain exceptions.
- Provide that the college would assume liability for acts or omissions of volunteer trustees and nontrustee volunteers, if certain conditions were met.

The Act requires the board to consist of 33 trustees, including the college president; the resident bishop of the Michigan area of the United Methodist Church; two ordained ministers and three laypersons of the United Methodist Church designated by the West Michigan Annual Conference and the Detroit Annual Conference; six trustees designated by the Albion College Alumni Association; and 20 trustees designated by the remaining trustees.

The bill, instead, would require the board to consist of not more than 33 members, including the president of the college and the following:

- Up to six trustees appointed by the United Methodist Church.
- Up to two recent graduates of the college, appointed by the college president.
- Up to six trustees appointed by the Albion College Alumni Association.
- Up to 20 trustees appointed by the trustees then in office.

The number of trustees in each group would be determined by the board.

As currently provided, trustees would serve for three-year terms, except the recent graduates generally would serve two-year terms.

MCL 390.702 et al.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

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

Date Completed: 6-13-11

Fiscal Analyst: Bill Bowerman