

# HOUSE BILL No. 5389

December 2, 1997, Introduced by Rep. Profit and referred to the Committee on Local Government.

A bill to amend 1921 PA 136, entitled

"An act to authorize and facilitate the acquisition and disposal of public library property by public corporations empowered to maintain public libraries,"

by amending section 1 (MCL 397.381).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. (1) ~~Any~~ SUBJECT TO SUBSECTION (2), A board of  
2 education, library commission, or other public corporation empow-  
3 ered to maintain a public library may receive and accept gifts  
4 and donations of REAL OR PERSONAL property, ~~real or personal,~~  
5 for the ~~purpose of such~~ library, and shall hold, use, and apply  
6 the property ~~so~~ received for the purposes, IN ACCORDANCE WITH  
7 THE PROVISIONS, AND SUBJECT TO THE CONDITIONS AND LIMITATIONS, IF  
8 ANY, set forth in the instrument of gift. ~~and in accordance with~~  
9 ~~the provisions of such instrument and subject to the conditions~~  
10 ~~and limitations, if any, therein expressed.~~

1           (2) A BOARD OF EDUCATION, LIBRARY COMMISSION, OR OTHER  
2 PUBLIC CORPORATION EMPOWERED TO MAINTAIN A PUBLIC LIBRARY MAY  
3 TRANSFER A GIFT, OTHER THAN A FEDERAL OR STATE GRANT, DESCRIBED  
4 IN SUBSECTION (1), OR THE PROCEEDS FROM THAT GIFT TO A COMMUNITY  
5 FOUNDATION. IF A GIFT RECEIVED BY A BOARD OF EDUCATION, LIBRARY  
6 COMMISSION, OR OTHER PUBLIC CORPORATION EMPOWERED TO MAINTAIN A  
7 PUBLIC LIBRARY WAS SUBJECT TO CERTAIN CONDITIONS, LIMITATIONS, OR  
8 REQUIREMENTS, THE TRANSFER MUST BE TO A COMPONENT FUND WITHIN THE  
9 COMMUNITY FOUNDATION THAT INCORPORATES CONDITIONS, LIMITATIONS,  
10 OR REQUIREMENTS THAT ARE SUBSTANTIALLY SIMILAR. IF A GIFT WAS  
11 NOT SUBJECT TO CONDITIONS, LIMITATIONS, OR REQUIREMENTS, THE  
12 TRANSFER MUST BE TO A COMPONENT FUND OF THE COMMUNITY FOUNDATION  
13 THAT IMPOSES CONDITIONS, LIMITATIONS, OR REQUIREMENTS ON THE USE  
14 OF THE PROPERTY FOR THE PURPOSE OF MAINTAINING THE PUBLIC  
15 LIBRARY.

16           (3) A TRANSFER OF A GIFT DESCRIBED IN SUBSECTION (1) BY A  
17 BOARD OF EDUCATION, LIBRARY COMMISSION, OR OTHER PUBLIC CORPORA-  
18 TION EMPOWERED TO MAINTAIN A PUBLIC LIBRARY TO A COMPONENT FUND  
19 WITHIN A COMMUNITY FOUNDATION THAT SATISFIES THE CONDITIONS UNDER  
20 SUBSECTION (2), BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT  
21 THAT AMENDED THIS SECTION, IS VALID.

22           (4) AS USED IN THIS SECTION:

23           (A) "COMMUNITY FOUNDATION" MEANS THAT TERM AS DEFINED IN  
24 SECTION 261 OF THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL  
25 206.261.

26           (B) "COMPONENT FUND" MEANS A COMPONENT PART OF A COMMUNITY  
27 TRUST AS DESCRIBED IN 26 C.F.R. 1.170A-9.