



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 959 (Substitute S-1 as reported)
Sponsor: Senator Wayne Schmidt
Committee: Local Government

CONTENT

The bill would create the "Michigan Community Foundation Act" to repeal, re-enact, and consolidate various provisions relating to a municipality's, school district's, or library's authority to receive certain gifts and to transfer property to a community foundation. The bill would do the following:

- Authorize a municipality, a school board, and a public library to accept certain gifts of property.
- Authorize those public entities to sell and dispose of the property, when it was no longer needed for its stated purpose.
- Specify that a municipality, school board, or public library could transfer property to a community foundation.
- Require a community foundation to which property was transferred to return it to the entity that transferred it if certain conditions occurred.
- Allow a municipality, school board, or public library transferring property to a community foundation to request that the foundation establish a donor advisory committee, and specify actions the advisory committee could take.

Sections of various statutes authorize a municipality, the school board of a school district or intermediate school district, and a public library to accept gifts of real or personal property under certain circumstances, sell and dispose of the property, and transfer property to a community foundation. The bill would repeal those sections (MCL 123.871 & 123.874; 380.15 & 380.602; and 397.381 & 397.382).

That authority would be consolidated in the proposed Act, which also would refer to accepting gifts of intangible personal property, selling or disposing of such property, and transferring it to a community foundation.

The bill would apply to community foundations with assets of at least \$5.0 million. (The provisions that would be repealed apply to foundations with assets of at least \$10.0 million.)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

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

Date Completed: 12-6-16

Fiscal Analyst: Elizabeth Pratt