

CAREER DEVELOPMENT AND DISTANCE LEARNING ACT (EXCERPT)
Act 36 of 2002

390.1577 Registered distance learning corporation; powers.

Sec. 7. (1) Subject to the limits contained in this act, the nonprofit act, any other law of this state, or in its articles of incorporation, a registered distance learning corporation may do any act consistent with 1 or more of the purposes of the corporation, including, but not limited to, 1 or more of the following:

- (a) Engage in experimental distance learning projects.
 - (b) Provide training and distance learning services and professional development programs to government employees.
 - (c) Accept gifts, grants, appropriations, donations, fees for services, royalties, or other payments or property from any source.
 - (d) In administering any publicly supported distance learning plan, contract or subcontract with any organization that administers or furnishes distance learning services to any federal, state, or local government, agency, or political subdivision.
 - (e) Make grants for the public welfare.
 - (f) Participate with any other public or private entity in any transaction the corporation has the power to conduct by itself.
 - (g) Obtain, hold, and dispose of patents, trademarks, copyrights, or other intellectual property rights in any invention, idea, good, service, or other tangible or intangible property subject to protection under any applicable intellectual property law, including, but not limited to, property created or developed by an employee of or a person under contract with the corporation.
 - (h) Offer educators opportunities to learn new knowledge, skills, and strategies for developing and delivering instructional services.
 - (i) Grant credits, degrees, or high school diplomas only through dual enrollment programs with educational institutions that are authorized to grant credits, degrees, or high school diplomas in this state.
- (2) If an act of a registered distance learning corporation is otherwise legal, it is not invalid because the corporation was without capacity or power to do the act. However, the lack of capacity or power may be asserted in any of the following actions:
- (a) An action by a board member against the corporation to enjoin an act.
 - (b) An action by or in the right of the corporation to procure a judgment in its favor against an incumbent or former officer or board member of the corporation for loss or damage due to an unauthorized act of that officer or board member.
 - (c) An action or special proceeding by the attorney general to enjoin the corporation from the transacting of unauthorized business, to set aside an unauthorized transaction, or to obtain other equitable relief.
- (3) A registered distance learning corporation is not and shall not act in this state as a public school or postsecondary degree-granting institution and shall not independently grant degrees or high school diplomas.

History: 2002, Act 36, Imd. Eff. Mar. 7, 2002.

Compiler's note: For transfer of powers and duties of the director of the department of career development to the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.