

HOUSE BILL NO. 4077

February 14, 2023, Introduced by Rep. Posthumus and referred to the Committee on Insurance and Financial Services.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending sections 5228, 5230, and 5245 (MCL 500.5228, 500.5230,
and 500.5245), as amended by 2020 PA 266.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 5228. (1) The stockholders or members of a corporation
- 2 may adopt bylaws that they consider advisable. ~~Until September 30,~~
- 3 ~~2022, bylaws~~ **Bylaws** adopted under this subsection may provide 1 or
- 4 both of the following:
- 5 (a) One or more directors may participate in a regular or

1 special meeting of the board, or a committee of the board, or
2 conduct the meeting, by means of electronic communication devices
3 that enable all participants in the meeting to communicate with
4 each other. A director participating in a meeting allowed under
5 this subdivision is deemed to be present in person at a meeting.

6 (b) Any meeting of the stockholders or members may be
7 conducted by means of electronic communications devices by which
8 all stockholders or members participating may simultaneously
9 participate in the meeting. A stockholder or member participating
10 in a meeting allowed under this subdivision is deemed to be present
11 in person at a meeting.

12 (2) The directors of a domestic insurer may make bylaws, not
13 inconsistent with the constitution and laws of this state, or with
14 the insurer's articles of incorporation, as they consider necessary
15 for the government of the officers and members of the insurer, and
16 the conduct of its affairs. All bylaws and any amendments to the
17 bylaws must be filed with the director of the department before
18 becoming operative.

19 (3) If bylaws adopted under subsection (1) need to be amended
20 to allow meetings through electronic communication devices
21 described in subsection (1), an amendment to the bylaws may be
22 adopted at a meeting conducted through electronic communication
23 devices described in subsection (1). ~~This subsection does not apply~~
24 ~~after September 30, 2022.~~

25 Sec. 5230. (1) A special meeting of the stockholders or
26 members of a domestic stock or mutual insurer may be called for
27 purposes other than amending articles of incorporation under
28 section 5214 and extending its corporate existence under section
29 5222, by the directors at any time they consider advisable.

(2) Notice of a meeting of the members or stockholders must be given by mailing to each member or stockholder a copy of the notice, postage prepaid, directed to his or her last known post office address at least 21 days before the time fixed for the meeting. The notice must state the time and place, and if the meeting is a special meeting, the purpose of the special meeting. However, notice of the time and place of the annual meeting of a mutual insurer may be printed on the policy or certificate of renewal instead of mailing as required under this subsection, in which case the notice must also be printed with the annual statement of the insurer.

(3) ~~A~~ **Unless expressly prohibited by a domestic insurer's bylaws, a** meeting of the stockholders or members may be conducted by means of electronic communications devices by which all stockholders or members participating may simultaneously participate in the meeting. A stockholder or member participating in a meeting ~~allowed by means of electronic communications devices~~ under this subsection is deemed to be present in person at a meeting **for all purposes. This subsection does not apply after September 30, 2022.**

Sec. 5245. (1) A majority of the board of directors constitutes a quorum for the transaction of business, and the acts of a majority of the directors present at a meeting at which a quorum is present are the acts of the board of directors.

(2) On written notice of the time and place and purpose or purposes of any special meeting, any of the directors, in-between regular meetings of the board of directors, may consent in writing to any specific action to be taken by the corporation, and if approved by a majority of the directors at the special meeting,

1 including those consenting in writing, the action is as valid a
2 corporation action as though authorized at a regular meeting of the
3 directors. The minutes of approval and action must be fully
4 recorded, each written consent must be made a part of the minutes,
5 and the minutes and written consent must be reviewed at the next
6 regular meeting of the board of directors.

7 (3) Unless prohibited by the articles of incorporation or
8 bylaws, action required or permitted to be taken under
9 authorization voted at a meeting of the board or a committee of the
10 board may be taken without a meeting if, before or after the
11 action, all members of the board then in office or of the committee
12 consent to the action in writing or by electronic transmission. The
13 written consents must be filed with the minutes of the proceedings
14 of the board or committee. The consent has the same effect as a
15 vote of the board or committee for all purposes.

16 (4) The board of directors may permit 1 or more directors to
17 participate in a regular or special meeting of the board, or a
18 committee of the board, or conduct the meeting, by means of
19 electronic communication devices that enable all participants in
20 the meeting to communicate with each other. A director
21 participating in a meeting under this subsection is deemed to be
22 present in person at the meeting **for all purposes.** ~~This subsection~~
23 ~~does not apply after September 30, 2022.~~