



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 631 (as introduced 10-12-17)
Sponsor: Senator Mike Shirkey
Committee: Insurance

Date Completed: 11-29-17

CONTENT

The bill would amend Public Act 125 of 1963, which provides for the incorporation, supervision, and regulation of nonprofit dental care corporations, to modify the composition of a board of directors of a dental care corporation.

Under the Act, three or more residents of Michigan may form a nonprofit corporation for the purpose of establishing, maintaining, and operating nonprofit dental care plans by which professional licensed dental services are provided at the expense of the corporation to people who become subscribers to the plan.

The board of directors of a dental care corporation must consist of not more than 25 members. The board must have representation from the general public, and from among the various classes of subscribers enumerated in Section 19 and from the Michigan State Dental Association or its successor, but at least 40% and not more than 60% of the directors must be licensed dentists who are approved by the Michigan State Dental Association or its successor.

(Section 19 of the Act states that a dental care corporation may receive from governmental or private agencies, corporations, associations, groups, or individuals, within or outside the State, payments covering all or part of the costs of subscriptions to provide dental care for needy and other people.)

Under the bill, the board of directors of a dental care corporation would have to have representation from the general public, from licensed dentists, and from among the various classes of subscribers identified in Section 19. The maximum number of members and percentage of dentists would be as currently provided.

MCL 550.363

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

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

Fiscal Analyst: Michael Siracuse

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