



AN ACT PROVIDING FOR REMOTE PARTICIPATION TO CONDUCT COOPERATIVE BUSINESS;  
PROVIDING DEFINITIONS; AMENDING SECTIONS 35-18-102, 35-18-207, AND 35-18-303, MCA; AND  
PROVIDING AN IMMEDIATE EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 35-18-102, MCA, is amended to read:

**"35-18-102. Definitions.** In this chapter, unless the context otherwise requires, the following definitions apply:

- (1) "Broadband" means transmission facilities capable of handling frequencies greater than those required for high-grade voice communication, higher than 4 kilohertz.
- (2) "Cable television system" means a system that receives and amplifies the signals broadcast by one or more television stations and redistributes the signals to subscribing members of the public for a fixed or periodic fee by wire, cable, microwave, or other means, whether the means are owned or leased.
- (3) "Cooperative" means a corporation organized under this chapter or a corporation that becomes subject to the provisions of this chapter.
- (4) "Member" means each incorporator of a cooperative and each person admitted to and retaining membership in a cooperative as provided by the articles of incorporation or bylaws of the cooperative, including persons admitted to joint membership.
- (5) "Person" includes any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or an agency of a state or political subdivision, or other organization or group of persons.
- (6) "Present" or "presence" includes in-person or any form of presence utilizing remote communication authorized by a cooperative's articles or bylaws.

(7) "Remote communication" includes communication made electronically, by conference telephone call, internet, remote technology, or other communication through which all participants in the meeting have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, pose questions, and make comments.

~~(6)~~(8) "Rural area", as applied to all corporations organized under the provisions of 35-18-105(1), means:

(a) an area not included within the boundaries of an incorporated or unincorporated city, town, village, or borough having a population in excess of 3,500 persons on March 17, 1939, or subsequent to March 17, 1939;

(b) an incorporated municipality in which 95% or more of the premises are served by an electric cooperative on February 1, 1971;

(c) a former rural area annexed by a municipality and subject to 69-5-109; or

(d) an incorporated municipality that was served by a public utility that sold the public utility's distribution facilities within that municipality to an electric cooperative after January 1, 1998."

**Section 2.** Section 35-18-207, MCA, is amended to read:

**"35-18-207. Bylaws.** (1) The original bylaws of a cooperative ~~shall~~ must be adopted by its board of trustees. Thereafter

(2) (a) Except as provided in subsection (2)(b), after adoption of original bylaws, the bylaws shall must be adopted, amended, or repealed by its members.

(b) If bylaws do not enable remote communication, the board may hold a remote meeting of the members for the purpose of member consideration of bylaw changes needed to authorize the board, at its discretion, to utilize remote communication.

(3) The bylaws ~~shall~~ must set forth the rights and duties of members and trustees and may contain other provisions for the regulation and management of the affairs of the cooperative not inconsistent with this chapter or with the articles of incorporation."

**Section 3.** Section 35-18-303, MCA, is amended to read:

**"35-18-303. Meetings of members -- general and special -- place -- notice -- quorum -- voting.**

- (1) An annual meeting of the members ~~shall~~ must be held at ~~such a time as shall be~~ provided in the bylaws.
- (2) Special meetings of the members may be called by the board of trustees, by any three trustees, by not less than 10% of the members, or by the president.
- (3) Meetings of members ~~shall~~ must be held at ~~such place as may be~~ provided in the bylaws. In the absence of ~~any such a~~ provision, all meetings ~~shall~~ must be held at ~~such place as shall be~~ determined by the board of trustees.
- (4) Except as ~~hereinafter~~ otherwise provided in this chapter, written or printed notice stating the time and place of each meeting of members and, in the case of a special meeting, the purpose or purposes for which the meeting is called ~~shall~~ must be given to each member, either personally, ~~or~~ by mail, or by another method not less than 10 or more than 25 days before the date of the meeting.
- (5) Five percent of all members present ~~in person~~ or 50 members present ~~in person~~, whichever is fewer, ~~shall constitute~~ constitutes a quorum for the transaction of business at all meetings of the members, but the bylaws may prescribe the presence of a greater percentage or number of the members for a quorum. If less than a quorum is present at any meeting, a majority of those present ~~in person~~ may adjourn the meeting from time to time without further notice.
- (6) Each member ~~shall be~~ is entitled to one vote on each matter submitted to a vote at a meeting. Voting ~~shall be in person~~ is by members present, but, if the bylaws ~~so~~ provide, may also be by proxy, ~~or~~ by mail, by electronic voting, or both by any combination of the three. If the bylaws provide for voting by proxy, ~~or~~ by mail, or by electronic voting, they ~~shall~~ must also prescribe the conditions under which proxy, ~~or~~ mail, or electronic voting or both any combination of the three ~~shall be~~ is exercised. In any event, ~~no person shall~~ a person may not vote as a proxy for more than three members at ~~any a~~ meeting of the members."

**Section 4. Effective date.** [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,  
HB 103, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

HOUSE BILL NO. 103

INTRODUCED BY W. CURDY, G. CUSTER

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