

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR REMOTE PARTICIPATION TO CONDUCT
5 COOPERATIVE BUSINESS; PROVIDING DEFINITIONS; AMENDING SECTIONS 35-18-102, 35-18-207, AND
6 35-18-303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9
10 **Section 1.** Section 35-18-102, MCA, is amended to read:

11 **"35-18-102. Definitions.** In this chapter, unless the context otherwise requires, the following
12 definitions apply:

13 (1) "Broadband" means transmission facilities capable of handling frequencies greater than those
14 required for high-grade voice communication, higher than 4 kilohertz.

15 (2) "Cable television system" means a system that receives and amplifies the signals broadcast by
16 one or more television stations and redistributes the signals to subscribing members of the public for a fixed or
17 periodic fee by wire, cable, microwave, or other means, whether the means are owned or leased.

18 (3) "Cooperative" means a corporation organized under this chapter or a corporation that becomes
19 subject to the provisions of this chapter.

20 (4) "Member" means each incorporator of a cooperative and each person admitted to and retaining
21 membership in a cooperative as provided by the articles of incorporation or bylaws of the cooperative, including
22 persons admitted to joint membership.

23 (5) "Person" includes any natural person, firm, association, corporation, business trust, partnership,
24 federal agency, state or political subdivision or an agency of a state or political subdivision, or other
25 organization or group of persons.

26 (6) "Present" or "presence" includes in-person or any form of presence utilizing remote
27 communication authorized by a cooperative's articles or bylaws.

28 (7) "Remote communication" includes communication made electronically, by conference telephone

1 call, internet, remote technology, or other communication through which all participants in the meeting have the
2 opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters
3 submitted to the members, pose questions, and make comments.

4 ~~(6)~~(8) "Rural area", as applied to all corporations organized under the provisions of 35-18-105(1),
5 means:

6 (a) an area not included within the boundaries of an incorporated or unincorporated city, town, village,
7 or borough having a population in excess of 3,500 persons on March 17, 1939, or subsequent to March 17,
8 1939;

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

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

12 (d) an incorporated municipality that was served by a public utility that sold the public utility's
13 distribution facilities within that municipality to an electric cooperative after January 1, 1998."
14

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

16 "**35-18-207. Bylaws.** (1) The original bylaws of a cooperative ~~shall~~ must be adopted by its board of
17 trustees. ~~Thereafter~~

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

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

23 (3) The bylaws shall must set forth the rights and duties of members and trustees and may contain
24 other provisions for the regulation and management of the affairs of the cooperative not inconsistent with this
25 chapter or with the articles of incorporation."
26

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

28 "**35-18-303. Meetings of members -- general and special -- place -- notice -- quorum -- voting.**

1 (1) An annual meeting of the members ~~shall~~ must be held at ~~such a~~ a time ~~as shall be~~ provided in the bylaws.

2 (2) Special meetings of the members may be called by the board of trustees, by any three trustees,
3 by not less than 10% of the members, or by the president.

4 (3) Meetings of members ~~shall~~ must be held at ~~such place~~ as ~~may be~~ provided in the bylaws. In the
5 absence of ~~any such a~~ a provision, all meetings ~~shall~~ must be held at ~~such place~~ as ~~shall be~~ determined by the
6 board of trustees.

7 (4) Except as ~~hereinafter~~ otherwise provided in this chapter, written or printed notice stating the time
8 and place of each meeting of members and, in the case of a special meeting, the purpose or purposes for
9 which the meeting is called ~~shall~~ must be given to each member, either personally, ~~or~~ by mail, or by another
10 method not less than 10 or more than 25 days before the date of the meeting.

11 (5) Five percent of all members present ~~in person~~ or 50 members present ~~in person~~, whichever is
12 fewer, ~~shall constitute~~ constitutes a quorum for the transaction of business at all meetings of the members, but
13 the bylaws may prescribe the presence of a greater percentage or number of the members for a quorum. If less
14 than a quorum is present at any meeting, a majority of those present ~~in person~~ may adjourn the meeting from
15 time to time without further notice.

16 (6) Each member ~~shall be~~ is entitled to one vote on each matter submitted to a vote at a meeting.
17 Voting ~~shall be in person~~ is by members present, but, if the bylaws ~~so~~ provide, may also be by proxy, ~~or~~ by
18 mail, or both. If the bylaws provide for voting by proxy or by mail, they ~~shall~~ must also prescribe the conditions
19 under which proxy or mail voting or both ~~shall be~~ is exercised. In any event, ~~no person shall~~ a person may not
20 vote as a proxy for more than three members at ~~any a~~ a meeting of the members."

21

22 NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

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