

HOUSE BILL 648

C5, C1

11r2199
CF SB 561

By: **Delegate Wilson**

Introduced and read first time: January 22, 2021

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 28, 2021

CHAPTER _____

1 AN ACT concerning

2 **Electric Cooperatives – Meetings – Alterations**

3 FOR the purpose of authorizing an electric cooperative to hold certain meetings virtually
4 or with a combination of in–person and virtual attendance; requiring the members
5 of the cooperative, by majority vote, to determine in the cooperative’s bylaws how
6 meetings may be held; requiring the notice for a meeting that will be held virtually
7 or with a combination of in–person and virtual attendance to include certain
8 information; altering the requirements for a quorum to include members attending
9 the meeting rather than members present in person; repealing the requirement that
10 for voting to occur in a certain manner the manner must be provided in an electric
11 cooperative’s bylaws; authorizing voting in any manner provided in an electric
12 cooperative’s bylaws; making stylistic and conforming changes; and generally
13 relating to meetings of members of electric cooperatives.

14 BY repealing and reenacting, with amendments,
15 Article – Corporations and Associations
16 Section 5–616 through 5–619
17 Annotated Code of Maryland
18 (2014 Replacement Volume and 2020 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

21 **Article – Corporations and Associations**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 5-616.

2 (a) (1) An annual meeting of the members of a cooperative shall be held at the
3 time and place provided in the bylaws.

4 (2) AN ANNUAL MEETING MAY BE HELD:

5 (I) IN PERSON;

6 (II) VIRTUALLY; OR

7 (III) WITH A COMBINATION OF IN-PERSON AND VIRTUAL
8 ATTENDANCE.

9 (b) A special meeting of the members of a cooperative may be [called]:

10 (1) CALLED by:

11 [(1)] (I) The chairman;

12 [(2)] (II) A majority of the board of directors; or

13 [(3)] (III) Not less than 10% of the members; AND

14 (2) HELD:

15 (I) IN PERSON;

16 (II) VIRTUALLY; OR

17 (III) WITH A COMBINATION OF IN-PERSON AND VIRTUAL
18 ATTENDANCE.

19 (C) THE MEMBERS OF THE COOPERATIVE, BY A MAJORITY VOTE, SHALL
20 DETERMINE IN THE COOPERATIVE'S BYLAWS HOW MEETINGS MAY BE HELD.

21 5-617.

22 (a) (1) Except as otherwise provided in this subtitle, notice of each meeting of
23 the members shall be mailed or provided by electronic transmission to each member not
24 less than 10 days or more than 90 days before the date of the meeting.

25 (2) The notice shall state:

1 (i) [The] **FOR A MEETING THAT WILL BE HELD IN PERSON OR**
2 **WITH A COMBINATION OF IN-PERSON AND VIRTUAL ATTENDANCE, THE** time and place
3 of the meeting; [and]

4 (ii) **FOR A MEETING THAT WILL BE HELD VIRTUALLY OR WITH A**
5 **COMBINATION OF IN-PERSON AND VIRTUAL ATTENDANCE, THE TIME OF AND**
6 **INSTRUCTIONS FOR ATTENDING THE MEETING; AND**

7 [(i)] (iii) [If the meeting is] **FOR** a special meeting, the purpose of
8 the meeting.

9 (b) (1) A person entitled to notice of a meeting may waive notice in writing or
10 by electronic transmission either before or after the meeting.

11 (2) If a person entitled to notice of a meeting attends the meeting, the
12 person's presence shall constitute a waiver of notice of the meeting, unless the person
13 participates in the meeting solely to object to the transaction of any business because the
14 meeting has not been legally called or convened.

15 5-618.

16 (a) Unless the bylaws require the presence of a greater percentage or number of
17 the members for a quorum, a quorum for the transaction of business at all meetings of the
18 members of a cooperative shall be:

19 (1) [5% of all members, present in person, of] **FOR** a cooperative that has
20 not more than 1,000 members, **5% OF ALL MEMBERS ATTENDING THE MEETING; AND**

21 (2) [Fifty members, present in person, of] **FOR** a cooperative that has more
22 than 1,000 members, **50 MEMBERS ATTENDING THE MEETING.**

23 (b) If less than a quorum is present at any meeting, a majority of those [present
24 in person] **IN ATTENDANCE** may adjourn the meeting from time to time without further
25 notice.

26 5-619.

27 (a) Each member of a cooperative is entitled to one vote on each matter submitted
28 to a vote at a meeting of the members.

29 (b) (1) [Except as provided in paragraph (2) of this subsection, voting shall]
30 **VOTING MAY** be [in]:

31 (i) **IN** person[.];

1 [(2) (i) (II) [If the bylaws so provide, voting also may be by] **BY**
 2 proxy[,by];

3 (III) **BY** mail[, or by];

4 (IV) **BY** electronic transmission; **OR**

5 (V) **BY ANY OTHER METHOD PROVIDED IN THE BYLAWS.**

6 [(ii) (2) [If] **SUBJECT TO SUBSECTION (C) OF THIS SECTION, IF**
 7 the bylaws provide for voting by [proxy, by mail, or by electronic transmission,] **A METHOD**
 8 **OTHER THAN IN PERSON**, they also shall establish the conditions under which voting [by
 9 proxy, by mail, or by electronic transmission] is allowed.

10 (c) A person may not vote by proxy for more than three members at any meeting
 11 of the members.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 13 1, 2021.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.