
ENGROSSED SUBSTITUTE HOUSE BILL 2532

State of Washington

57th Legislature

2002 Regular Session

By House Committee on Judiciary (originally sponsored by Representatives Linville, Crouse, Morris, Berkey, Morell and Wood)

Read first time 02/07/2002. Referred to Committee on .

1 AN ACT Relating to allowing the use of electronic mail
2 telecommunications technology by nonprofit corporation committees; and
3 amending RCW 24.03.065, 24.03.075, and 24.03.120.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 24.03.065 and 1986 c 240 s 12 are each amended to read
6 as follows:

7 (1) A corporation may have one or more classes of members or may
8 have no members. If the corporation has one or more classes of
9 members, the designation of such class or classes, the manner of
10 election or appointment and the qualifications and rights of the
11 members of each class shall be set forth in the articles of
12 incorporation or the bylaws. Unless otherwise specified in the
13 articles of incorporation or the bylaws, an individual, domestic or
14 foreign profit or nonprofit corporation, a general or limited
15 partnership, an association, or other entity may be a member of a
16 corporation. If the corporation has no members, that fact shall be set
17 forth in the articles of incorporation or the bylaws. A corporation
18 may issue certificates evidencing membership therein.

1 (2) The board of directors may designate member committees to carry
2 out the business of the corporation. However, a committee does not
3 have the authority to amend, alter, or repeal the corporation's bylaws;
4 elect, appoint, or remove any member of any committee or any director
5 or officer of the corporation; amend the articles of incorporation;
6 adopt a plan of merger or plan of consolidation with another
7 corporation; authorize the sale, lease, or exchange of all or
8 substantially all of the property and assets of the corporation;
9 authorize the voluntary dissolution of the corporation or revoke
10 proceedings thereof; adopt a plan for the distribution of the assets of
11 the corporation; or amend, alter, or repeal any resolution of the board
12 of directors which by its terms provides that it may not be amended,
13 altered, or repealed by such a committee.

14 **Sec. 2.** RCW 24.03.075 and 1986 c 240 s 14 are each amended to read
15 as follows:

16 (1)(a) Meetings of members may be held at such place, either within
17 or without this state, as may be stated in or fixed in accordance with
18 the bylaws. In the absence of any such provision, all meetings shall
19 be held at the registered office of the corporation in this state.

20 (b) An annual meeting of the members shall be held at such time as
21 may be stated in or fixed in accordance with the bylaws. Failure to
22 hold the annual meeting at the designated time shall not work a
23 forfeiture or dissolution of the corporation.

24 (c) Special meetings of the members may be called by the president
25 or by the board of directors. Special meetings of the members may also
26 be called by such other officers or persons or number or proportion of
27 members as may be provided in the articles of incorporation or the
28 bylaws. In the absence of a provision fixing the number or proportion
29 of members entitled to call a meeting, a special meeting of members may
30 be called by members having one-twentieth of the votes entitled to be
31 cast at such meeting.

32 (2) Except as may be otherwise restricted by the articles of
33 incorporation or the bylaws, members and committees designated by the
34 board of directors of the corporation may participate in a meeting of
35 members or a committee by means of (a) a conference telephone or
36 similar communications equipment by means of which all persons
37 participating in the meeting can hear each other at the same time
38 ((and)), or (b) in the case of a meeting by a committee designated by

1 the board of directors, electronic mail provided no committee member
2 objects to using this procedure and subsection (3) of this section has
3 been complied with. Participation ((by such means shall)) under (a) or
4 (b) of this subsection constitutes presence in person at a meeting.

5 (3)(a) Participation in committee meetings by the use of electronic
6 mail is allowed only if (i) the proposed recipient of any electronic
7 transmission has previously consented in writing to receive the
8 electronic communication, and (ii) the electronic communication is
9 capable of being reproduced in a traditional paper format by both the
10 sender and the recipient.

11 (b) Any person who has consented to receive electronic
12 communications may revoke this consent by delivering a written
13 revocation to the corporation.

14 (4) For purposes of this section, "electronic mail" means the
15 transmission and reception of electronic communication.

16 The application of this section to electronic communication does
17 not amend or modify RCW 24.03.465.

18 **Sec. 3.** RCW 24.03.120 and 1986 c 240 s 21 are each amended to read
19 as follows:

20 (1) Meetings of the board of directors, regular or special, may be
21 held either within or without this state.

22 (2) Regular meetings of the board of directors or of any committee
23 designated by the board of directors may be held with or without notice
24 as prescribed in the bylaws. Special meeting of the board of directors
25 or any committee designated by the board of directors shall be held
26 upon such notice as is prescribed in the bylaws. Attendance of a
27 director or a committee member at a meeting shall constitute a waiver
28 of notice of such meeting, except where a director or a committee
29 member attends a meeting for the express purpose of objecting to the
30 transaction of any business because the meeting is not lawfully called
31 or convened. Neither the business to be transacted at, nor the purpose
32 of, any regular or special meeting of the board of directors or any
33 committee designated by the board of directors need be specified in the
34 notice or waiver of notice of such meeting unless required by the
35 bylaws.

36 (3) Except as may be otherwise restricted by the articles of
37 incorporation or bylaws, members of the board of directors or any
38 committee designated by the board of directors may participate in a

1 meeting of such board or committee by means of (a) a conference
2 telephone or similar communications equipment by means of which all
3 persons participating in the meeting can hear each other at the same
4 time ((and)), or (b) in the case of a meeting of a committee of the
5 board of directors, electronic mail provided no committee member
6 objects to using this procedure and subsection (4) of this section has
7 been complied with. Participation ((by such means shall)) under (a) or
8 (b) of this subsection constitutes presence in person at a meeting.

9 (4)(a) Participation in committee meetings by the use of electronic
10 mail is allowed only if (i) the proposed recipient of any electronic
11 transmission has previously consented in writing to receive the
12 electronic communication, and (ii) the electronic communication is
13 capable of being reproduced in a traditional paper format by both the
14 sender and the recipient.

15 (b) Any person who has consented to receive electronic
16 communications may revoke this consent by delivering a written
17 revocation to the corporation.

18 (5) For purposes of this section, "electronic mail" means the
19 transmission and reception of electronic communication.

20 The application of this section to electronic communication does
21 not amend or modify RCW 24.03.465.

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