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**SUBSTITUTE HOUSE BILL 2532**

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**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.

19 (2) The board of directors may designate member committees to carry  
20 out the business of the corporation. However, a committee does not  
21 have the authority to amend, alter, or repeal the corporation's bylaws;

1 elect, appoint, or remove any member of any committee or any director  
2 or officer of the corporation; amend the articles of incorporation;  
3 adopt a plan of merger or plan of consolidation with another  
4 corporation; authorize the sale, lease, or exchange of all or  
5 substantially all of the property and assets of the corporation;  
6 authorize the voluntary dissolution of the corporation or revoke  
7 proceedings thereof; adopt a plan for the distribution of the assets of  
8 the corporation; or amend, alter, or repeal any resolution of the board  
9 of directors which by its terms provides that it may not be amended,  
10 altered, or repealed by such a committee.

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

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

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

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

29 (2) Except as may be otherwise restricted by the articles of  
30 incorporation or the bylaws, members and committees designated by the  
31 board of directors of the corporation may participate in a meeting of  
32 members or a committee by means of (a) a conference telephone or  
33 similar communications equipment by means of which all persons  
34 participating in the meeting can hear each other at the same time  
35 ((and)), or (b) in the case of a meeting by a committee designated by  
36 the board of directors, electronic mail provided no committee member  
37 objects to using this procedure and subsection (3) of this section has

1 been complied with. Participation ((by such means shall)) under (a) or  
2 (b) of this subsection constitutes presence in person at a meeting.

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

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

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

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

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

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

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

1 board of directors, electronic mail provided no committee member  
2 objects to using this procedure and subsection (4) 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 (4)(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 The application of this section to electronic communication does  
15 not amend or modify RCW 24.03.465.

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