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HOUSE BILL 2577

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State of Washington                      58th Legislature                      2004 Regular Session

By Representatives Linville, Carrell, Kirby, Newhouse, Lovick,  
Campbell, McMahan, Moeller and Flannigan

Read first time 01/16/2004. Referred to Committee on Judiciary.

1            AN ACT Relating to nonprofit corporations; and amending RCW  
2 24.03.065, 24.03.075, and 24.03.465.

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

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

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

18            (2) A corporation may have one or more member committees. The

1 creation, makeup, authority, and operating procedures of any member  
2 committee or committees must be addressed in the corporation's articles  
3 of incorporation or bylaws.

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

6 Meetings of members and committees of members may be held at such  
7 place, either within or without this state, as ~~((may be))~~ stated in or  
8 fixed in accordance with the bylaws. In the absence of any such  
9 provision, all meetings ~~((shall))~~ must be held at the registered office  
10 of the corporation in this state.

11 An annual meeting of the members ~~((shall))~~ must be held at ~~((such))~~  
12 the time ~~((as may be))~~ stated in or fixed in accordance with the  
13 bylaws. Failure to hold the annual meeting at the designated time  
14 ~~((shall))~~ does not work a forfeiture or dissolution of the corporation.

15 Special meetings of the members may be called by the president or  
16 by the board of directors. Special meetings of the members may also be  
17 called by ~~((such))~~ other officers or persons or number or proportion of  
18 members as ~~((may be))~~ provided in the articles of incorporation or the  
19 bylaws. In the absence of a provision fixing the number or proportion  
20 of members entitled to call a meeting, a special meeting of members may  
21 be called by members having one-twentieth of the votes entitled to be  
22 cast at ~~((such))~~ the meeting.

23 Except as ~~((may be))~~ otherwise restricted by the articles of  
24 incorporation or the bylaws, members and any committee of members of  
25 the corporation may participate in a meeting ~~((of members))~~ by ~~((means~~  
26 ~~of a))~~ conference telephone or similar communications equipment ~~((by~~  
27 ~~means of which))~~ so that all persons participating in the meeting can  
28 hear each other at the same time ~~((and)).~~ Participation by ~~((such~~  
29 ~~means shall))~~ that method constitutes presence in person at a meeting.

30 **Sec. 3.** RCW 24.03.465 and 1967 c 235 s 94 are each amended to read  
31 as follows:

32 (1) Any action required by this chapter to be taken at a meeting of  
33 the members or ~~((directors of a corporation))~~ a committee of members,  
34 or any action ~~((which))~~ that may be taken at a meeting of the members  
35 or ~~((directors))~~ a committee of the members under a corporation's  
36 articles of incorporation or bylaws, may be taken without a meeting,

1 except as otherwise restricted by the articles of incorporation or  
2 bylaws, if a consent in ((writing)) the form of a record, setting forth  
3 the action ((so)) taken, ((shall be signed by all)) is executed by a  
4 majority of the members or committee of members entitled to vote with  
5 respect to the subject matter ((thereof, or all of the directors, as  
6 the case may be)).

7 ((Such)) The consent ((shall have)) has the same ((force and))  
8 effect as a ((unanimous)) majority vote, and may be so stated ((as

9 such)) in any articles or document filed with the secretary of state

10 under this chapter.

11 (2) Any action required by this chapter to be taken at a meeting of  
12 the directors of a corporation, or any action that may be taken at a  
13 meeting of the directors, may be taken without a meeting if a consent  
14 in the form of a record, setting forth the action taken, is executed by  
15 all of the directors entitled to vote with respect to the subject  
16 matter. The consent has the same effect as a unanimous vote and may be  
17 so stated in any articles or document filed with the secretary of state  
18 under this chapter.

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