
Civil Rights & Judiciary Committee

SB 5347

Brief Description: Concerning member voting methods.

Sponsors: Senators Padden and Pedersen.

Brief Summary of Bill

- Authorizes members of a cooperative association to vote by electronic transmission unless the articles of incorporation or bylaws provide otherwise.
- Provides that members voting by electronic transmission are deemed present for purposes of quorum, count of votes, and percentage voting of total voting power.

Hearing Date: 3/10/21

Staff: Yelena Baker (786-7301).

Background:

The Cooperative Associations Act (CAA) allows any number of people to join together for the creation of a cooperative association where members participate in the cooperative's business for the mutual benefit of all the members. A cooperative association may be formed to advance any lawful business, including any agriculture, dairy, mercantile, mining, manufacturing, or mechanical business, by the filing of articles of incorporation with the Office of the Secretary of State. A cooperative association consists of members and is governed by a board of directors.

Under the CAA, members of a cooperative association may vote on various matters related to the operation of the cooperative, including amendment of articles of incorporation, merger with cooperative associations or business corporations, removal of officers or board directors, and

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

dissolution of the cooperative association. Each member is entitled to one vote unless the right to vote is otherwise limited or enlarged by the articles of incorporation or bylaws. A member may vote in person or, unless the articles of incorporation or bylaws provide otherwise, by mail or by proxy. Members voting by mail are deemed present for purposes of quorum, count of votes, and percentage voting of total voting power.

Summary of Bill:

In addition to the existing voting methods, a member of a cooperative association may vote by electronic transmission unless the articles of incorporation or bylaws provide otherwise.

Members voting by electronic transmission are deemed present for purposes of quorum, count of votes, and percentage voting of total voting power.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.