

SENATE BILL 668

C1

2lr1393
CF HB 623

By: **Senators Mathias, Colburn, Middleton, and Pipkin**

Introduced and read first time: February 3, 2012

Assigned to: Judicial Proceedings

Committee Report: Favorable

Senate action: Adopted

Read second time: March 16, 2012

CHAPTER _____

1 AN ACT concerning

2 **Corporations and Associations – Electric Cooperatives – Electronic Notices**
3 **and Voting**

4 FOR the purpose of authorizing a certain electric cooperative to provide notice of each
5 meeting of its members by electronic transmission under certain circumstances;
6 authorizing a certain person to waive notice of a meeting of the members of an
7 electric cooperative by electronic transmission under certain circumstances;
8 authorizing voting by members of an electric cooperative by electronic
9 transmission under certain circumstances; requiring, under certain
10 circumstances, the bylaws of an electric cooperative to establish the conditions
11 under which voting by electronic transmission is allowed; and generally relating
12 to electric cooperatives.

13 BY repealing and reenacting, without amendments,
14 Article – Corporations and Associations
15 Section 1–101(a) and (m)
16 Annotated Code of Maryland
17 (2007 Replacement Volume and 2011 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Corporations and Associations
20 Section 5–617 and 5–619
21 Annotated Code of Maryland
22 (2007 Replacement Volume and 2011 Supplement)

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

3 **Article – Corporations and Associations**

4 1–101.

5 (a) In this article, unless the context clearly requires otherwise, the following
6 words have the meanings indicated.

7 (m) “Electronic transmission” means any form of communication, not directly
8 involving the physical transmission of paper, that creates a record that:

9 (1) May be retained, retrieved, and reviewed by a recipient of the
10 communication; and

11 (2) May be reproduced directly in paper form by a recipient through an
12 automated process.

13 5–617.

14 (a) (1) Except as otherwise provided in this subtitle, notice of each
15 meeting of the members shall be mailed **OR PROVIDED BY ELECTRONIC**
16 **TRANSMISSION** to each member not less than 10 days or more than 90 days before the
17 date of the meeting.

18 (2) The notice shall state:

19 (i) The time and place of the meeting; and

20 (ii) If the meeting is a special meeting, the purpose of the
21 meeting.

22 (b) (1) A person entitled to notice of a meeting may waive notice in
23 writing **OR BY ELECTRONIC TRANSMISSION** either before or after the meeting.

24 (2) If a person entitled to notice of a meeting attends the meeting, the
25 person’s presence shall constitute a waiver of notice of the meeting, unless the person
26 participates in the meeting solely to object to the transaction of any business because
27 the meeting has not been legally called or convened.

28 5–619.

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

1 (b) (1) Except as provided in paragraph (2) of this subsection, voting shall
2 be in person.

3 (2) (i) If the bylaws so provide, voting also may be by proxy, [or] by
4 mail, **OR BY ELECTRONIC TRANSMISSION**[, or both].

5 (ii) If the bylaws provide for voting by proxy, [or] by mail, **OR**
6 **BY ELECTRONIC TRANSMISSION**, they also shall establish the conditions under
7 which voting by proxy, [or] by mail, **OR BY ELECTRONIC TRANSMISSION** is allowed.

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

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2012.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.