STATE OF NEW YORK

7205

2021-2022 Regular Sessions

IN ASSEMBLY

April 29, 2021

Introduced by M. of A. BUTTENSCHON -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the rural electric cooperative law, in relation to allowing meetings of members to be held partially or solely by means of electronic communication

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivisions (c), (d) and (e) of section 17 of the rural electric cooperative law are amended to read as follows:

(c) Except as otherwise provided in this chapter written or printed notice stating the time and place of each meeting of the members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each member, either personally or by mail, not less than ten days nor more than [~~twenty-five~~] **forty-five** days before the date of the meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail with postage prepaid addressed to the member at his address as it appears on the records of the cooperative.

(d) Unless the by-laws prescribe the presence of a greater percentage or number of the members for a quorum, a quorum for the transaction of business at all meetings of the members of a cooperative having not more than one thousand members, shall be five per centum of all members, present in person **or electronically**, and of a cooperative having more than one thousand members, shall be fifty members, present in person **or electronically**. **This provision shall not prevent a cooperative from adopting a by-law that only allows an in-person quorum for meetings of members.** If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice.

(e) Each member shall be entitled to one vote on each matter submitted to a vote at a meeting of the members. Voting shall **either** be in

EXPLANATION--Matter in ***italics*** (underscored) is new; matter in brackets [-] is old law to be omitted.

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person[~~, but, if the by-laws so provide, may also be by proxy or by mail, or both~~] **or by proxy, mail, or electronic means, or any combination of the above**. If the by-laws provide for voting by proxy [~~or by~~]**,** mail**, or electronic means**, they shall also prescribe the conditions under which such voting shall be permitted. No person shall vote as proxy for more than three members at any meeting of the members.

§ 2. Section 17 of the rural electric cooperative law is amended by adding a new subdivision (g) to read as follows:

(g) The board of directors may, in its sole discretion, direct that meetings of members be held partially or solely by means of electronic communication, and the electronic service and/or platform by which a meeting is held shall be the place of such meeting for purposes of this section if such meeting is held solely by means of electronic communication. Meetings conducted partially or solely by means of electronic communication pursuant to this subdivision and any member's electronic participation in such meetings shall be subject to such guidelines and procedures as the board adopts, provided the board shall implement reasonable measures to: (1) verify that each person participating electronically is a member or a proxy of a member according to the terms of subdivision (e) of this section; (2) provide each member participating electronically with a reasonable opportunity to participate in the meeting, including an opportunity to propose, object to, and vote upon a specific action to be taken by the members, and to see, read, or hear the proceedings of the meeting substantially and concurrently with such proceedings; (3) record and maintain a record of any votes or other actions taken by electronic communication at the meeting; and (4) within a reasonable time after, but not to exceed sixty days after the meeting, distribute minutes of such meeting to the members of the cooperative in electronic or paper form. Members of a cooperative shall not hold meetings by means of electronic communication until the provisions of this subdivision have been adopted as a bylaw at a duly held membership meeting.

§ 3. This act shall take effect immediately.