

Chapter 274

(Senate Bill 561)

AN ACT concerning

Electric Cooperatives – Meetings – Alterations

FOR the purpose of authorizing an electric cooperative to hold certain meetings virtually or with a combination of in-person and virtual attendance; requiring the members of the cooperative, by majority vote, to determine in the cooperative's bylaws how meetings may be held; requiring the notice for a meeting that will be held virtually or with a combination of in-person and virtual attendance to include certain information; altering the requirements for a quorum to include members attending the meeting rather than members present in person; repealing the requirement that for voting to occur in a certain manner the manner must be provided in an electric cooperative's bylaws; authorizing voting in any manner provided in an electric cooperative's bylaws; making stylistic and conforming changes; and generally relating to meetings of members of electric cooperatives.

BY repealing and reenacting, with amendments,
 Article – Corporations and Associations
 Section 5–616 through 5–619
 Annotated Code of Maryland
 (2014 Replacement Volume and 2020 Supplement)

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

Article – Corporations and Associations

5–616.

(a) **(1)** An annual meeting of the members of a cooperative shall be held at the time and place provided in the bylaws.

(2) AN ANNUAL MEETING MAY BE HELD:

(I) IN PERSON;

(II) VIRTUALLY; OR

(III) WITH A COMBINATION OF IN-PERSON AND VIRTUAL ATTENDANCE.

(b) A special meeting of the members of a cooperative may be [called]:

(1) CALLED by:

[(1)] (I) The chairman;

[(2)] (II) A majority of the board of directors; or

[(3)] (III) Not less than 10% of the members; AND

(2) HELD:

(I) IN PERSON;

(II) VIRTUALLY; OR

(III) WITH A COMBINATION OF IN-PERSON AND VIRTUAL ATTENDANCE.

(C) THE MEMBERS OF THE COOPERATIVE, BY A MAJORITY VOTE, SHALL DETERMINE IN THE COOPERATIVE'S BYLAWS HOW MEETINGS MAY BE HELD.

5-617.

(a) (1) Except as otherwise provided in this subtitle, notice of each meeting of the members shall be mailed or provided by electronic transmission to each member not less than 10 days or more than 90 days before the date of the meeting.

(2) The notice shall state:

(i) **[The] FOR A MEETING THAT WILL BE HELD IN PERSON OR WITH A COMBINATION OF IN-PERSON AND VIRTUAL ATTENDANCE, THE time and place of the meeting; [and]**

(II) FOR A MEETING THAT WILL BE HELD VIRTUALLY OR WITH A COMBINATION OF IN-PERSON AND VIRTUAL ATTENDANCE, THE TIME OF AND INSTRUCTIONS FOR ATTENDING THE MEETING; AND

[(ii)] (III) [If the meeting is] FOR a special meeting, the purpose of the meeting.

(b) (1) A person entitled to notice of a meeting may waive notice in writing or by electronic transmission either before or after the meeting.

(2) If a person entitled to notice of a meeting attends the meeting, the

person's presence shall constitute a waiver of notice of the meeting, unless the person participates in the meeting solely to object to the transaction of any business because the meeting has not been legally called or convened.

5-618.

(a) Unless the bylaws require 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 shall be:

(1) [5% of all members, present in person, of] **FOR** a cooperative that has not more than 1,000 members, **5% OF ALL MEMBERS ATTENDING THE MEETING**; and

(2) [Fifty members, present in person, of] **FOR** a cooperative that has more than 1,000 members, **50 MEMBERS ATTENDING THE MEETING**.

(b) If less than a quorum is present at any meeting, a majority of those [present in person] **IN ATTENDANCE** may adjourn the meeting from time to time without further notice.

5-619.

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

(b) (1) [Except as provided in paragraph (2) of this subsection, voting shall] **VOTING MAY** be [in]:

(I) **IN person**[.];

[(2) (i)] (II) [If the bylaws so provide, voting also may be by] **BY** proxy[, by];

(III) **BY** mail[, or by];

(IV) **BY** electronic transmission; **OR**

(V) **BY ANY OTHER METHOD PROVIDED IN THE BYLAWS**.

[(ii)] (2) [If] **SUBJECT TO SUBSECTION (C) OF THIS SECTION, IF** the bylaws provide for voting by [proxy, by mail, or by electronic transmission,] **A METHOD OTHER THAN IN PERSON**, they also shall establish the conditions under which voting [by proxy, by mail, or by electronic transmission] is allowed.

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

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021.

Approved by the Governor, May 18, 2021.