

1
2
3
4
5
6
7
8
9
10

11
12
13
14
15
16
17
18
19

H.670

Introduced by Representatives Kitzmiller of Montpelier, Botzow of Pownal,
Carr of Brandon, Dakin of Colchester, Marcotte of Coventry,
O’Sullivan of Burlington, Parent of St. Albans Town, Sibia of
Dover, and Stuart of Brattleboro

Referred to Committee on

Date:

Subject: Commerce and trade; business organizations; cooperatives

Statement of purpose of bill as introduced: This bill proposes to allow a
member of a cooperative to participate in a meeting and vote electronically.

An act relating to electronic voting for cooperative members

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 11 V.S.A. § 995 is amended to read:

§ 995. ARTICLES

Each association formed under this subchapter shall prepare and file articles
of incorporation setting forth:

- (1) The name of the association;
- (2) The purpose for which it is formed;
- (3) The place where its principal business will be transacted;

1 (4) The names and addresses of the directors thereof who are to serve
2 until the election and qualification of their successors;

3 (5) The name and residence of the clerk;

4 (6) When organized without capital stock, whether the property rights
5 and interest of the members are equal, and, if unequal, the general rules
6 applicable to all members by which the property rights and interest,
7 respectively, of each member shall be determined and fixed, and provision for
8 the admission of new members who shall be entitled to share in the property of
9 the association in accordance with such general rules. This provision or
10 paragraph of the certificate of organization shall not be altered, amended, or
11 replaced except by the written consent or vote representing three-fourths of the
12 members;

13 (7) When organized with capital stock, the amount of such stock, the
14 number of shares into which it is divided, and the par value thereof;

15 (8) The capital stock may be divided into preferred and one or more
16 classes of common stock. When so divided, the certificate of organization
17 shall contain a statement of the number of shares of stock to which preference
18 is granted, the number of shares of stock to which no preference is granted, and
19 the nature and definite extent of the preference and privileges granted to each;

20 (9) The articles of incorporation of any association organized under this
21 subchapter shall provide that the members or stockholders thereof shall have

1 the right to vote in person or through another method of communication,
2 including through a telecommunications or electronic medium, but a member
3 or stockholder may not vote by proxy or alternate only and not by proxy or
4 ~~otherwise~~. This provision or paragraph of the articles of association shall not
5 be altered and shall not be subject to amendment;

6 (10) In addition to the foregoing, the articles of incorporation of any
7 association incorporated hereunder may contain any provision consistent with
8 law with respect to management, regulation, government, financing,
9 indebtedness, membership, the establishment of voting districts and the
10 election of delegates for representative purposes, the issuance, retirement, and
11 transfer of its stock, if formed with capital stock, or any provisions relative to
12 the way or manner in which it shall operate or with respect to its members,
13 officers, or directors and any other provisions relating to its affairs;

14 (11) The certificate shall be subscribed by the incorporators and shall be
15 sworn to by one or more of them; and shall be filed with the ~~secretary of state~~
16 Secretary of State. A certified copy shall also be filed with the ~~secretary of~~
17 ~~agriculture, food and markets;~~ Secretary of Agriculture, Food and Markets.

18 (12) When so filed, the certificate of organization or a certified copy
19 thereof shall be received in the courts of this ~~state~~ State as prima facie evidence
20 of the facts contained therein and of the due incorporation of such association.

- 1 Sec. 2. EFFECTIVE DATE
- 2 This act shall take effect on passage.