

AN ACT

ENTITLED, An Act to clarify provisions relating to the eligibility of certain cooperative members to qualify as a director.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 47-21-10 be amended to read as follows:

47-21-10. The business of a cooperative shall be managed by a board of not less than five directors, each of whom shall be a member of the cooperative or of another cooperative or corporation, which is a member thereof. If the member is an entity other than a natural person, the cooperative may provide in its bylaws for the election of a representative of the entity to qualify as a director. The bylaws shall prescribe the number of directors, their qualifications, other than those prescribed in this chapter, the manner of holding meetings of the board of directors and of electing successors to directors who shall resign, die, or otherwise be incapable of acting. The bylaws may also provide for the removal of directors from office and for the election of their successors.

Unless restricted by the articles of incorporation or bylaws, members of the board of directors or any committee designated by the board of directors may participate in a meeting of such board or committee by means of teleconference or similar communications equipment which allows all persons participating in the meeting to hear each other at the same time. Participation by a board or committee member in a teleconference constitutes presence in person at a meeting.

An Act to clarify provisions relating to the eligibility of certain cooperative members to qualify as a director.

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I certify that the attached Act originated in the

SENATE as Bill No. 139

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 139
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State