

# State of South Dakota

SEVENTY-SIXTH SESSION  
LEGISLATIVE ASSEMBLY, 2001

772E0517

## SENATE BILL NO. 139

Introduced by: Senators Diedrich (Elmer), Diedrich (Larry), Koskan, and Sutton (Dan)  
and Representatives Lange, Flowers, Hargens, and Konold

1 FOR AN ACT ENTITLED, An Act to clarify provisions relating to the eligibility of certain  
2 cooperative members to qualify as a director.

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

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

5 47-21-10. The business of a cooperative shall be managed by a board of not less than five  
6 directors, each of whom shall be a member of the cooperative or of another cooperative or  
7 corporation, which is a member thereof. If the member is an entity other than a natural person,  
8 the cooperative may provide in its bylaws for the election of a representative of the entity to  
9 qualify as a director. The bylaws shall prescribe the number of directors, their qualifications,  
10 other than those prescribed in this chapter, the manner of holding meetings of the board of  
11 directors and of electing successors to directors who shall resign, die, or otherwise be incapable  
12 of acting. The bylaws may also provide for the removal of directors from office and for the  
13 election of their successors.

14 Unless restricted by the articles of incorporation or bylaws, members of the board of  
15 directors or any committee designated by the board of directors may participate in a meeting of

- 1 such board or committee by means of teleconference or similar communications equipment which
- 2 allows all persons participating in the meeting to hear each other at the same time. Participation
- 3 by a board or committee member in a teleconference constitutes presence in person at a meeting.