

## HOUSE AMENDMENTS TO A-ENGROSSED SENATE BILL 466

By COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

May 16

1 On page 1 of the printed A-engrossed bill, delete lines 4 through 26 and delete page 2 and insert:

2 “**SECTION 1.** ORS 62.280 is amended to read:

3 “62.280. (1) The corporate powers of a cooperative shall be exercised by or under the authority  
4 of the board of directors, and the business and affairs of a cooperative shall be managed under the  
5 direction of the board of directors. **Except as provided in subsection (2) of this section,** each  
6 director, at all times during the director’s term of office, shall be a member or a representative of  
7 a member which is other than a natural person. Unless the bylaws otherwise provide, directors need  
8 not be residents of this state.

9 “**(2) If authorized by the bylaws of the cooperative, a cooperative other than a telecom-**  
10 **munications cooperative or electric cooperative may have one or more directors who are not**  
11 **members or representatives of members that are other than natural persons. A majority of**  
12 **the directors of a cooperative described in this subsection must be members or represen-**  
13 **tatives of members that are not natural persons.**

14 “**(3)** The bylaws may prescribe any other qualifications for directors and may provide that di-  
15 rectors be from specified territorial districts. The bylaws may also provide that voting on the  
16 election of directors from specified territorial districts may be limited to members from the respec-  
17 tive districts without the obligation to hold district meetings.

18 “[~~2~~] **(4)** The number of directors of a cooperative shall be not less than three, unless the  
19 number of members of the cooperative is less than three. If the number of members of the cooper-  
20 ative is less than three, the number of directors shall not be less than the number of members of the  
21 cooperative. Subject to this limitation, the number of directors shall be fixed or determined by the  
22 bylaws, except as to the number constituting the initial board, which number shall be fixed by the  
23 articles.

24 “[~~3~~] **(5)** Directors constituting the initial board named in the articles shall hold office until the  
25 first annual meeting of the members and until their successors are elected and take office. At that  
26 meeting and thereafter, directors shall be elected by the members in the manner and for the term  
27 of office, not to exceed three years, provided in the bylaws. Each director shall begin immediately  
28 to discharge the duties of director and, subject to resignation or removal, shall hold office for the  
29 term for which the director was elected and until a successor takes office.

30 “[~~4~~] **(6)** A director may be removed upon a majority vote of all members voting in person  
31 thereon at a duly called member meeting if written reasons for removal of the director are included  
32 in the notice of the meeting and the director whose removal is sought has had an opportunity to  
33 answer the reasons at the meeting. The written statement of reasons for removal shall be filed with  
34 the minutes of the meeting. The bylaws may contain such other provisions for the removal of a di-  
35 rector as may be consistent with the provisions of this subsection.

1           “[(5)] (7) Unless the bylaws provide otherwise, any vacancy occurring in the board may be filled  
2 by the affirmative vote of a majority of the remaining directors though less than a quorum of the  
3 board. The director elected to fill a vacancy shall be elected for the unexpired term of the director’s  
4 predecessor in office.”

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