



2021 South Dakota Legislature  
**Senate Bill 108**  
**ENROLLED**

AN ACT

**ENTITLED An Act to revise certain provisions related to cooperatives.**

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

**Section 1.** That § 47-15-12 be AMENDED.

**47-15-12. Articles and bylaws--Action to invalidate amendment--  
Limitations.**

No action may be maintained to invalidate any amendment to the articles or bylaws because of the manner of its adoption unless commenced within two years after its adoption.

**Section 2.** That § 47-16-4 be AMENDED.

**47-16-4. Member meetings--Location--Virtual participation.**

Unless the articles of incorporation or bylaws provide otherwise, the board of directors shall provide that member meetings of a cooperative are held at the principal office or such other place or by means of communication as the board of directors may determine.

Unless the articles of incorporation or bylaws provide otherwise, the board of directors may allow a member, a delegate, or an alternate to participate in a member meeting by any means of communication through which the member, delegate, or alternate may communicate and vote at the meeting. Participation by such means of communication constitutes presence or attendance at the meeting.

**Section 3.** That § 47-16-5 be AMENDED.

**47-16-5. Member meetings--Notice--Virtual meeting.**

Written notice of a membership meeting of a cooperative, stating the place, day, and hour, and, in case of a special member meeting the purposes for which the meeting

is called, shall be given no fewer than ten nor more than sixty days before the meeting, at the direction of the person calling the meeting.

The place of the meeting or special meeting may be virtual if the written notice specifies a means of communication to conduct the meeting that complies with the provisions of § 47-16-4.

**Section 4.** That § 47-16-7 be AMENDED.

**47-16-7. Member meetings--Quorum.**

A quorum at a member meeting of a cooperative shall be ten percent of the first one hundred members plus five percent of additional members, present or represented by delegate. Unless the bylaws fix a larger number of members to constitute a quorum, a quorum may never be more than fifty members nor fewer than five members, or a majority of all members, whichever is smaller. Members represented by signed vote may be counted in computing a quorum only on those questions as to which the signed vote is taken. The sufficiency or requirement of a quorum for the transaction of business at a district meeting of members shall be established in the bylaws. However, the quorum may not be fewer than five members.

**Section 5.** That § 47-16-14 be AMENDED.

**47-16-14. Member voting.**

A member of a cooperative may submit a signed vote by mail or electronic means if the member has been previously notified in writing of the exact vote, motion or resolution upon which the vote is taken. The bylaws may limit use of signed votes.

**Section 6.** That § 47-17-4 be AMENDED.

**47-17-4. First directors as temporary board--Election of permanent directors--Territorial directors--Directors' terms of office--Alternates.**

The directors of a cooperative constituting the temporary board, named in the articles, shall hold office until the first member meeting. At that meeting and thereafter, at or in conjunction with the annual member meeting, directors shall be elected by a majority of the members voting in the manner and for the terms provided in the bylaws. If the bylaws provide that directors be from specified territorial districts, the articles may limit voting for any director to members from within the territorial district from which the director is to be elected. The bylaws may provide that directors may be elected at district

director election meetings held for said purpose. Unless the bylaws provide otherwise, a director's term of office is one year. Each director holds office for the term for which elected and until the director's successor takes office. The bylaws may permit selection of alternates to take the place of directors absent at a meeting of the board.

**Section 7.** That § 47-17-8 be AMENDED.

**47-17-8. Board meetings.**

The board of directors of a cooperative shall provide that board meetings are held upon such notice as is prescribed in the bylaws.

Unless the articles of incorporation or bylaws provide otherwise, a member 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 any means of communication through which the member, delegate, or alternate may communicate and vote at the meeting. Participation by such means of communication constitutes presence or attendance at the meeting.

An Act to revise certain provisions related to cooperatives.

I certify that the attached Act originated in the:  
Senate as Bill No. 108

Received at this Executive Office this \_\_\_\_ day of \_\_\_\_\_, 2021 at \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of the Senate

By \_\_\_\_\_ for the Governor

\_\_\_\_\_  
President of the Senate

The attached Act is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2021

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Governor

**STATE OF SOUTH DAKOTA,**

ss.

Office of the Secretary of State

\_\_\_\_\_  
Speaker of the House

Attest:

Filed \_\_\_\_\_, 2021 at \_\_\_\_\_ o'clock \_\_\_ M.

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
Secretary of State

Senate Bill No. 108  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

By \_\_\_\_\_  
Asst. Secretary of State