

SENATE BILL 353

By Haile

AN ACT to amend Tennessee Code Annotated, Title 43,  
relative to cooperative marketing associations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 43-16-113, is amended by deleting the section and substituting:

(a) An amendment, including a conversion to a general nonprofit corporation pursuant to § 48-61-109, must first be approved by two-thirds (2/3) of the directors. An amendment changing the name of the association or its principal place of business must be adopted by the association if notice of the board of directors meeting to consider the amendment is given to the members as provided in § 43-16-115. All other amendments must also be adopted by a vote representing a majority of all the members of the association as provided in this section.

(b)

(1) If, at a meeting of the members of the association to which a proposed amendment has been submitted, a majority of the members are not present, then those present and members voting by proxy, whether or not a quorum is present, may adjourn the meeting to a time and place certain, but not sooner than three (3) weeks from the time of adjournment.

(2) Prior to the convening of the adjourned meeting, notice of the adjourned meeting of the members must be given solely to vote and count ballots in person, by proxy, mail, or electronically, on the proposed amendment. The notice must state the time, place, and purpose of the amendment and of the adjourned meeting.

(3) When the meeting reconvenes, the members present in person, by proxy or mail ballot, or electronically, constitute the quorum, and may take action on the proposed amendment by a majority vote of those represented, even if fewer than a majority of the total membership of the association is present.

SECTION 2. This act takes effect July 1, 2023, the public welfare requiring it.