

1 **IRRIGATION COMPANIES - NONPROFIT**
2 **CORPORATION AMENDMENTS**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: James R. Gowans**

6 Senate Sponsor: Mike Dmitrich

8 **LONG TITLE**

9 **General Description:**

10 This bill amends voting requirements for nonprofit corporations.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ provides that a member of a nonprofit corporation is entitled to one vote per share
14 when voting on matters submitted to the members for approval, unless otherwise
15 provided by the nonprofit corporation's bylaws.

16 **Monies Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **16-6a-711**, as enacted by Chapter 300, Laws of Utah 2000

24 *Be it enacted by the Legislature of the state of Utah:*

25 Section 1. Section **16-6a-711** is amended to read:

26 **16-6a-711. Voting entitlement generally.**

27 (1) Unless otherwise provided by the bylaws:



28 (a) only voting members shall be entitled to vote with respect to any matter required or
29 permitted under this chapter to be submitted to a vote of the members;

30 (b) all references in this chapter to votes of or voting by the members shall be
31 considered to permit voting only by the voting members; and

32 (c) voting members shall be entitled to vote with respect to all matters required or
33 permitted under this chapter to be submitted to a vote of the members.

34 (2) Unless otherwise provided by the bylaws, each member entitled to vote shall be
35 entitled to one vote for each share issued on each matter submitted to a vote of members.

36 (3) Unless otherwise provided by the bylaws, if a membership stands of record in the
37 names of two or more persons, the membership's acts with respect to voting shall have the
38 following effect:

39 (a) if only one votes, the act binds all; and

40 (b) if more than one votes, the vote shall be divided on a pro-rata basis.

Legislative Review Note
as of 2-6-06 11:40 AM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0444

Irrigation Companies - Nonprofit Corporation Amendments

09-Feb-06

2:59 PM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst