

HOUSE No. 1383

By Mr. Fitzpatrick of Medford, petition of John J. Fitzpatrick for legislation enlarging the powers and privileges of co-operative corporations. Mercantile Affairs.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Forty-Nine.

AN ACT TO AUTHORIZE CO-OPERATIVE CORPORATIONS TO ENGAGE IN THE PROVISION OR MANAGEMENT OF HOUSING FOR THEIR MEMBERS, TO HOLD DISTRICT MEMBERSHIP MEETINGS, AND TO ELECT DELEGATES TO LIMITED MEMBERSHIP MEETINGS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 157 of the General Laws is
2 hereby amended by striking out in section 3 thereof
3 the word "or" before "mercantile" and substituting
4 a comma, and by inserting after the word "mercan-
5 tile" the words: — or other, — and by further insert-
6 ing after the word "plan" the words: — , including
7 buying, selling, leasing, construction or rehabilitation
8 of dwellings, together with appurtenant facilities, for
9 the members of such co-operative corporation. Such
10 facilities appurtenant to the provision of dwellings shall
11 include use of land and buildings for business, com-
12 mercial, cultural or recreational purposes related to

13 such dwellings, — so that the first sentence of that
14 section will read as follows: — Seven or more persons,
15 residents of the commonwealth, may associate them-
16 selves as a corporation, association, society, company
17 or exchange, to conduct within the commonwealth
18 any agricultural, dairy, mercantile or other business
19 on the co-operative plan, including buying, selling,
20 leasing, construction or rehabilitation of dwellings,
21 together with appurtenant facilities, for the members
22 of such co-operative corporation. Such facilities
23 appurtenant to the provision of dwellings shall include
24 use of land and buildings for business, commercial,
25 cultural or recreational purposes related to such
26 dwellings.

1 SECTION 2. Chapter 157 of the General Laws is
2 hereby amended by inserting in the last sentence of
3 section 3 thereof, after the word “thereof”, the words:
4 — , except for section seven of chapter one hundred
5 and fifty-six, — so that said sentence will read as
6 follows: — The corporation shall be formed as pro-
7 vided in chapters one hundred and fifty-five and one
8 hundred and fifty-six, with shares having par value,
9 and shall be subject to the provisions thereof, except
10 for section seven of chapter one hundred and fifty-six,
11 so far as consistent with said sections.

1 SECTION 3. Chapter 157 of the General Laws is
2 hereby amended by striking out in section 4 thereof
3 the words “nor more than two hundred thousand
4 dollars,” — so that the first sentence of that section
5 will read as follows: — The capital stock of a co-
6 operative corporation formed under section three shall
7 not be less than one hundred dollars.

1 SECTION 4. Chapter 157 of the General Laws is
2 hereby amended by striking out in section 2 thereof
3 the word "one" after "exceeding" and substituting
4 the word "twelve", — so that the last sentence of that
5 section will read as follows: — No person shall hold
6 shares in any such corporation to an amount exceeding
7 twelve thousand dollars at their par value, nor shall a
8 stockholder be entitled to more than one vote upon
9 any subject.

1 SECTION 5. Chapter 157 of the General Laws is
2 hereby amended by adding the following new para-
3 graph to section 4 thereof: —

4 In addition to the powers granted by section thir-
5 teen of chapter one hundred and fifty-six, any cor-
6 poration organized under section three may provide
7 in its by-laws for meetings by units or districts, as
8 defined in the by-laws, of the membership; for a
9 method of membership representation by annual elec-
10 tion of delegates to the membership meeting of the
11 corporation; for the election of directors and other
12 officials by mail ballot. No by-law shall be amended
13 or repealed nor any new by-law adopted, if the dele-
14 gate type of membership meeting is adopted by any
15 such corporation, unless notice of the proposed action
16 is given in the call for the annual meetings of the units
17 or districts at which the delegates are to be elected
18 to the membership meeting of the corporation, or in
19 the call for the annual election of such delegates if
20 the vote is to be taken by mail ballot. Special meet-
21 ings of the units or districts may be demanded by
22 written petition of at least one-tenth of the member-
23 ship of any such unit or district for the purpose of
24 instructing its delegate or delegates on questions con-

25 cerning the operation and business of the corporation,
26 in which case it shall be the duty of the secretary of
27 the corporation to call such unit or district meeting
28 or meetings to take place within thirty days after such
29 demand. Such unit or district meetings of members
30 may be held within or without the commonwealth.