

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

ENROLLED

House Bill 3081

BY DELEGATES WESTFALL, HOTT, BARNHART, BATES,
CRISS, ESPINOSA, GARCIA, LOVEJOY, REED, ROWE AND
WILLIAMS

[Passed April 2, 2021; in effect from passage.]

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1 AN ACT to amend and reenact §31D-7-708 of the Code of West Virginia, 1931, as amended; and
2 to amend and reenact §31E-7-708 of said code, all relating to remote communications for
3 shareholder meetings; amending the West Virginia Business Corporation Act and the
4 West Virginia Nonprofit Corporation Act; authorizing corporations to conduct shareholder
5 meetings by remote communication; requiring shareholder meetings by remote
6 communications be subject to guidelines and procedures; providing the board of directors
7 the authority to set a shareholder meeting by remote communication; authorizing nonprofit
8 corporations to conduct member meetings by remote communication; requiring member
9 meetings by remote communications be subject to guidelines and procedures; and
10 providing the board of directors the authority to set a member meeting by remote
11 communication and making the amendments effective upon passage.

Be it enacted by the Legislature of West Virginia:

CHAPTER 31D. WEST VIRGINIA BUSINESS CORPORATION ACT.

ARTICLE 7. SHAREHOLDERS.

§ 31D-7-708. Conduct of the meeting.

- 1 (a) At each meeting of shareholders, a chair shall preside. The chair is to be appointed as
2 provided in the bylaws or, in the absence of a provision in the bylaws, by the board of directors.
- 3 (b) The chair, unless the articles of incorporation or bylaws provide otherwise, shall
4 determine the order of business and has the authority to establish rules for the conduct of the
5 meeting.
- 6 (c) Any rules adopted for, and the conduct of, the meeting are to be fair to shareholders.
- 7 (d) The chair of the meeting shall announce at the meeting when the polls close for each
8 matter voted upon. If no announcement is made, the polls are to be deemed to have closed upon
9 the final adjournment of the meeting. After the polls close, no ballots, proxies or votes nor any
10 revocations or changes to a ballot, proxy or vote may be accepted.

11 (e) Shareholders of any class or series of shares may participate in any meeting of
12 shareholders by means of remote communication to the extent the board of directors authorizes
13 such participation for such class or series. Participation as a shareholder by means of remote
14 communication shall be subject to such guidelines and procedures as the board of directors
15 adopts.

16 (f) Shareholders participating in a shareholders' meeting by means of remote
17 communication shall be deemed present and may vote at such a meeting if the corporation has
18 implemented reasonable measures to:

19 (1) Verify that each person participating remotely as a shareholder is a shareholder or a
20 shareholder's proxy; and

21 (2) Provide such shareholders a reasonable opportunity to participate in the meeting and
22 to vote on matters submitted to the shareholders, including an opportunity to read or hear the
23 proceedings of the meetings, in a manner substantially concurrent with such proceedings.

24 (g) Unless expressly prohibited by the articles of incorporation or bylaws, the board of
25 directors may determine that any meeting of shareholders shall not be held at any place and shall
26 instead be held solely by means of remote communication in conformity with subsection (f).

27 (h) Amendments to this § 31D-7-708 passed during the regular session of the 2021
28 Legislative Session shall be effective upon passage and shall apply to all such shareholder
29 meetings held on or after March 1, 2020.

CHAPTER 31E. WEST VIRGINIA NONPROFIT CORPORATION ACT

ARTICLE 7. MEMBERS – MEETINGS AND VOTING

§ 31E-7-708. Conduct of the meeting

1 (a) At each meeting of members, a chair must preside. The chair is to be appointed as
2 provided in the bylaws or, in the absence of a provision in the bylaws, by the board of directors.

3 (b) The chairperson, unless the articles of incorporation or bylaws provide otherwise, shall
4 determine the order of business and has the authority to establish rules for the conduct of the
5 meeting.

6 (c) Any rules adopted for, and the conduct of, the meeting are to be fair to members.

7 (d) The chair of the meeting shall announce at the meeting when the polls close for each
8 matter voted upon. If no announcement is made, the polls are to be deemed to have closed upon
9 the final adjournment of the meeting. After the polls close, no ballots, proxies or votes, nor any
10 revocations or changes to a ballot, proxy or vote, may be accepted.

11 (e) Any member may participate in any meeting of members by means of remote
12 communication to the extent the board of directors authorizes such participation for members.
13 Participation as a member by means of remote communication shall be subject to such guidelines
14 and procedures as the board of directors adopts.

15 (f) Members participating in a members' meeting by means of remote communication
16 shall be deemed present and may vote at such a meeting if the corporation has implemented
17 reasonable measures to:

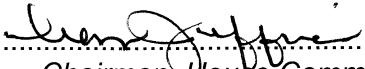
18 (1) Verify that each person participating remotely as a member is a member or a
19 member's proxy; and

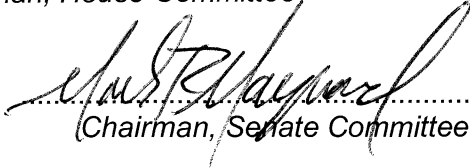
20 (2) Provide such members a reasonable opportunity to participate in the meeting and to
21 vote on matters submitted to the members, including an opportunity to read or hear the
22 proceedings of the meetings, in a manner substantially concurrent with such proceedings.

23 (g) Unless expressly prohibited by the articles of incorporation or bylaws, the board of
24 directors may determine that any meeting of members shall not be held at any place and shall
25 instead be held solely by means of remote communication in conformity with subsection (f).

26 (h) Amendments to this § 31E-7-708 passed during the regular session of the 2021
27 Legislative Session shall be effective upon passage and shall apply to all such member meetings
28 held on or after March 1, 2020.


The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

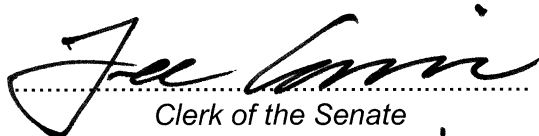

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Chairman, House Committee


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Chairman, Senate Committee

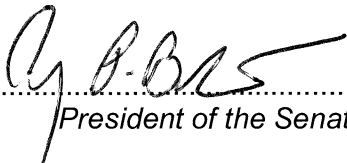
Originating in the House.

In effect from passage.



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Clerk of the House of Delegates


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Clerk of the Senate


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Speaker of the House of Delegates


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President of the Senate

The within is approved this the 24th
day of April 2021.


.....
Governor

PRESENTED TO THE GOVERNOR

APR 10 2021

Time 4:24 pm