



General Assembly

January Session, 2019

Proposed Bill No. 138

LCO No. 1650



Referred to Committee on JUDICIARY

Introduced by:

SEN. OSTEN, 19th Dist.

SEN. FLEXER, 29th Dist.

REP. ORANGE, 48th Dist.

REP. JOHNSON, 49th Dist.

REP. HADDAD, 54th Dist.

REP. CONLEY, 40th Dist.

AN ACT MODERNIZING THE STATE'S COOPERATIVE ASSOCIATION STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That: (1) Section 33-183 of the general statutes be amended to reduce
2 the minimum number of incorporators from seven to three, (2) section
3 33-185 of the general statutes be amended to provide that board of
4 managers shall be elected by the holders of member shares and the
5 term of office of such managers may extend beyond three years, (3)
6 section 33-187 of the general statutes be amended to (A) allow the
7 maximum value of capital stock to be increased to reflect the rate of
8 inflation and facilitate the incorporation of cooperative associations
9 and enterprises of scale, and (B) clarify that member shares shall have
10 a par value that is in keeping with cooperative law and practice, (4)
11 section 33-192 of the general statutes be amended to clarify annual
12 reporting requirements and to remove an individual member's liability
13 for all debts existing on the date of such report, and (5) section 33-193
14 of the general statutes be amended to provide the board of managers
15 with greater flexibility in allocating profits or surplus to a contingency,

16 sinking or unallocated reserve fund or collective account.

Statement of Purpose:

To update state statutes concerning food cooperative associations and provide for the expansion of such associations as a resource.