

Senate Bill 469

Sponsored by Senator THOMSEN (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides that board of directors of agricultural cooperative may not restrict, place conditions on or deny examination of agricultural cooperative's books and records of account, minutes or office records or prevent member or member's attorney from sharing information from books and records of account, minutes or office records if purpose of examination is to determine whether books and records of account, minutes and office records are accurate reflection of agricultural cooperative's financial condition or to provide evidence in action against agricultural cooperative in which truthfulness, accuracy, completeness or other condition of books and records of account, minutes or office records as representation of agricultural cooperative's financial condition is at issue.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1 Relating to examinations of records of agricultural cooperative; and prescribing an effective date.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1. (1) As used in this section, "agricultural cooperative" has the meaning de-**
4 **scribed in ORS 62.720 (5).**

5 **(2) Notwithstanding the duties prescribed for cooperatives in ORS 62.440:**

6 **(a) An agricultural cooperative shall keep correct and complete books and records of**
7 **account, minutes of the proceedings of the agricultural cooperative's members, board and**
8 **executive committee and, at the agricultural cooperative's principal office, records of the**
9 **names and addresses of all members and shareholders.**

10 **(b) At any reasonable time, any member or shareholder, or the agent or attorney of any**
11 **member or shareholder, may examine and make extracts from any of the agricultural**
12 **cooperative's books and records of account, minutes or office records after giving written**
13 **notice to the agricultural cooperative that states the purposes of the examination.**

14 **(c) Subject to paragraph (d) of this subsection, the board of directors of the agricultural**
15 **cooperative may:**

16 **(A) Specify reasonable conditions concerning the disclosure, dissemination or use of the**
17 **agricultural cooperative's books and records of account, minutes and office records; or**

18 **(B) Deny a request to examine the agricultural cooperative's books and records of ac-**
19 **count, minutes or office records if the board determines that the purpose is not directly re-**
20 **lated to the business or affairs of the agricultural cooperative and is contrary to the best**
21 **interests of the agricultural cooperative.**

22 **(d) The board may not restrict, place conditions on or deny an examination of an agri-**
23 **cultural cooperative's books and records of account, minutes or office records by a member**
24 **or an agent or attorney of the member and may not prevent the member or the member's**
25 **agent or attorney from disclosing information in the books and records of account, minutes**
26 **or office records if the purpose of the member's examination or disclosure is to:**
27

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (A) Determine whether the books and records of account, minutes or office records ac-
2 curately represent the financial condition of the agricultural cooperative; or

3 (B) Provide evidence in an action for damages against the agricultural cooperative in
4 which the truthfulness, accuracy, completeness or other condition of the books and records
5 of account, minutes or office records as a representation of the financial condition of the
6 agricultural cooperative is at issue.

7 (3) In any action or proceeding to enforce the rights of members or shareholders pro-
8 vided in this section, the court may award reasonable attorney fees to the prevailing party.

9 SECTION 2. This 2021 Act takes effect on the 91st day after the date on which the 2021
10 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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