



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB2527

by Rep. Elgie R. Sims, Jr.

SYNOPSIS AS INTRODUCED:

805 ILCS 105/107.10	from Ch. 32, par. 107.10
805 ILCS 105/112.10	from Ch. 32, par. 112.10
805 ILCS 105/112.12 new	

Amends the General Not For Profit Corporation Act of 1986. Provides that there must be an open meeting and vote of the membership before a residential housing cooperative may be dissolved.

LRB098 10157 JLS 40316 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The General Not For Profit Corporation Act of
5 1986 is amended by changing Sections 107.10 and 112.10 and by
6 adding Section 112.12 as follows:

7 (805 ILCS 105/107.10) (from Ch. 32, par. 107.10)

8 Sec. 107.10. Informal action by members entitled to vote.

9 (a) Unless otherwise provided in the articles of
10 incorporation or the bylaws, except for the dissolution of a
11 not-for-profit corporation organized for the purpose of
12 ownership or administration of residential property on a
13 cooperative basis, any action required by this Act to be taken
14 at any annual or special meeting of the members entitled to
15 vote, or any other action which may be taken at a meeting of
16 the members entitled to vote, may be taken by ballot without a
17 meeting in writing by mail, e-mail, or any other electronic
18 means pursuant to which the members entitled to vote thereon
19 are given the opportunity to vote for or against the proposed
20 action, and the action receives approval by a majority of the
21 members casting votes, or such larger number as may be required
22 by the Act, the articles of incorporation, or the bylaws,
23 provided that the number of members casting votes would

1 constitute a quorum if such action had been taken at a meeting.
2 Voting must remain open for not less than 5 days from the date
3 the ballot is delivered; provided, however, in the case of a
4 removal of one or more directors, a merger, consolidation,
5 dissolution or sale, lease or exchange of assets, the voting
6 must remain open for not less than 20 days from the date the
7 ballot is delivered.

8 (b) Such informal action by members shall become effective
9 only if, at least 5 days prior to the effective date of such
10 informal action, a notice in writing of the proposed action is
11 delivered to all of the members entitled to vote with respect
12 to the subject matter thereof.

13 (c) In the event that the action which is approved is such
14 as would have required the filing of a certificate under any
15 other Section of this Act if such action had been voted on by
16 the members at a meeting thereof, the certificate filed under
17 such other Section shall state, in lieu of any statement
18 required by such Section concerning any vote of members, that
19 an informal vote has been conducted in accordance with the
20 provisions of this Section and that written notice has been
21 delivered as provided in this Section.

22 (d) In addition, unless otherwise provided in the articles
23 of incorporation or the bylaws, any action required by this Act
24 to be taken at any annual or special meeting of the members
25 entitled to vote, or any other action which may be taken at a
26 meeting of members entitled to vote, may also be taken without

1 a meeting and without a vote if a consent in writing, setting
2 forth the action so taken, shall be approved by all the members
3 entitled to vote with respect to the subject matter thereof.

4 (Source: P.A. 96-649, eff. 1-1-10; 96-994, eff. 7-2-10.)

5 (805 ILCS 105/112.10) (from Ch. 32, par. 112.10)

6 Sec. 112.10. Voluntary dissolution by written consent of
7 members entitled to vote. Except for the dissolution of a
8 not-for-profit corporation organized for the purpose of
9 ownership or administration of residential property on a
10 cooperative basis. When ~~where~~ a corporation has members
11 entitled to vote on dissolution, the dissolution of a
12 corporation may be authorized pursuant to Section 107.10 of
13 this Act. Dissolution pursuant to the Section does not require
14 any vote of the directors of the corporation.

15 (Source: P.A. 84-1423.)

16 (805 ILCS 105/112.12 new)

17 Sec. 112.12. Dissolution of residential cooperative
18 housing corporations. When a not-for-profit corporation
19 organized for the purpose of ownership or administration of
20 residential property on a cooperative basis has members
21 entitled to vote on dissolution, there must be an open meeting
22 and vote of those members before a dissolution may be
23 authorized.