CHAPTER 39

Farmers' Associations

**SECTION 46-39-10. Definitions.**

As used in this chapter:

(1) The term "housing" means living quarters and related facilities for use by domestic farm labor and their families.

(2) The term "related facilities" means community rooms or buildings such as those used as dining halls or infirmaries or for educational or assembly purposes, or other essential services facilities such as central heating, bathing facilities, or domestic water supply.

(3) The term "domestic farm labor" means citizens of the United States who receive a substantial portion of their income as laborers on farms in the United States.

(4) The term "construct or repair" means to construct any structures or facilities or to rehabilitate, alter, convert, improve, or acquire and relocate existing structures or facilities.

HISTORY: 1962 Code § 3-701; 1962 (52) 2222.

**SECTION 46-39-20. Cooperative association of farmers may be formed.**

Five or more persons, residents of this State or owning a farm in this State, may associate themselves as a cooperative association for the purpose of providing within this State housing and related facilities for domestic farm labor.

HISTORY: 1962 Code § 3-702; 1962 (52) 2222.

**SECTION 46-39-30. Filing and contents of petition for incorporation.**

They shall file with the Secretary of State a written petition signed by themselves setting forth:

(1) The names and residences of the petitioners;

(2) The name of the proposed association which shall include the words "Farmers Association";

(3) The place at which it proposes to have its principal place of business;

(4) The amount of capital stock of the association and how and when payable;

(5) The number of shares into which the capital stock is to be divided and the par value of each share; and

(6) All other matters which may be desirable to set forth or which the Secretary of State may require.

HISTORY: 1962 Code § 3-703; 1962 (52) 2222.

**SECTION 46-39-40. Commission of board of incorporators; opening books of subscriptions.**

Upon the filing of the petition as above and upon the payment of the fee for filing such petition, the Secretary of State shall issue to the petitioners a commission constituting them a board of incorporators and authorizing them to open books of subscription to the capital stock of the proposed association after such public notice, not exceeding ten days, as he may require in such commission.

HISTORY: 1962 Code § 3-704; 1962 (52) 2222.

**SECTION 46-39-50. Subscriptions to capital stock of association; how payable.**

All subscriptions to the capital stock of any association organized under this chapter shall be payable in money or in labor or property at its money value and shall be listed, the labor or the property and the value thereof to be specified in the list of subscriptions. But no subscription in labor or property shall be received unless such labor or property and the value thereof, so to be specified as aforesaid, be approved by the board of incorporators.

HISTORY: 1962 Code § 3-705; 1962 (52) 2222.

**SECTION 46-39-60. Money value of subscription to be paid if labor not performed or property not delivered.**

In case of failure to perform the labor or to deliver the property according to the terms of the subscription the money value thereof, as specified in the list of subscriptions, shall be paid by the subscribers.

HISTORY: 1962 Code § 3-706; 1962 (52) 2222.

**SECTION 46-39-70. Minimum limitation on amount of capital stock; par value.**

No association shall be formed under this chapter with a capital stock less than one hundred dollars. The par value of the shares shall not be less than one dollar.

HISTORY: 1962 Code § 3-707; 1962 (52) 2222.

**SECTION 46-39-80. Limitation on number of shares owned; one vote per share.**

No stockholder shall own shares of a greater par value than one fifth of the capital stock of the association. Each stockholder shall be allowed to cast as many votes as the number of shares he owns on any subject arising in the management of the association.

HISTORY: 1962 Code § 3-708; 1962 (52) 2222; 1964 (53) 2208.

**SECTION 46-39-90. Meeting of subscribers; election of directors; votes of subscribers.**

When not less than fifty per cent of the proposed capital stock shall have been subscribed by bona fide subscribers the board of incorporators shall call all the subscribers together. At such meeting of the subscribers, if a majority of them shall be present in person or by proxy, the subscribers shall proceed to the organization of the association by the election from themselves of a board of directors not less than five nor more than nine in number. Each subscriber shall be allowed to cast as many votes as the number of shares he has subscribed to multiplied by the number of directors to be elected.

HISTORY: 1962 Code § 3-709; 1962 (52) 2222; 1964 (53) 2208.

**SECTION 46-39-100. Duties of directors; terms; removal; vacancies.**

This board of directors shall manager the affairs of the association for such term of office as the bylaws may prescribe and until their successors shall have been elected and shall have qualified and entered upon the discharge of their duties. But a majority of the stockholders at a meeting legally called according to the bylaws of the association may remove any director or officer for cause and fill the vacancy and thereupon the director or officer so removed shall cease to be a director or officer of the association.

HISTORY: 1962 Code § 3-710; 1962 (52) 2222.

**SECTION 46-39-110. Officers; election; bond.**

The officers of every such association shall be a president, a secretary and a treasurer or a secretary-treasurer combined, who shall be elected annually by the directors. Each of the officers must be a director of the association. The treasurer or secretary-treasurer shall give such bond as the board of directors may require.

HISTORY: 1962 Code § 3-711; 1962 (52) 2222.

**SECTION 46-39-120. Call for payment of subscriptions.**

The board of directors shall call for the payment of the subscriptions to the capital either in whole or in such installments as it may see fit.

HISTORY: 1962 Code § 3-712; 1962 (52) 2222.

**SECTION 46-39-130. Payment of subscriptions; certificate of compliance; fees; issuance and recordation of charter; disposition of incorporation papers.**

Upon the payment to the treasurer or the secretary-treasurer of the association of at least twenty per cent of the aggregate amount of the capital subscribed payable in money and also upon the delivery of at least twenty per cent of the property subscribed to the aggregate amount of the capital stock or upon its delivery being secured by such obligations of the subscribers as the board of directors may approve the board of directors shall, over their own signatures, certify to the Secretary of State that all the requirements for the formation of the association have been complied with.

Upon the filing of this return by the directors and the payment of the required fee for filing such return and upon the receipt of the charter fee as now provided by law the Secretary of State shall issue to the board of incorporators a certificate of charter authorizing the association to commence business under the name and for the purposes indicated in the written declaration. The certificate of charter granted by the Secretary of State shall be recorded in the office of the register of deeds or the clerk for the county in which such association shall have a business office. The board of incorporators shall turn over to the proper officers of the association all subscriptions, lists and other papers which they have taken as incorporators and all such papers shall be as valid as if taken and made by the association.

HISTORY: 1962 Code § 3-713; 1962 (52) 2222.

**SECTION 46-39-140. Powers of association.**

The association provided for in this chapter shall have the following powers:

(1) To have succession by its corporate name for the period limited in its charter and when no period is limited in perpetuity.

(2) To sue and be sued.

(3) To use a common seal and to alter it at pleasure.

(4) To hold, purchase, lease, mortgage, or otherwise dispose of and convey such real and personal estate as the business of the association requires.

(5) To make contracts under such regulations as may be fixed in the bylaws of the association possessing the same powers in such respects as individuals now enjoy.

(6) To borrow money for the purpose of carrying out the objects of its charter, to make notes, bonds or other evidences of debt and to secure the payment of its obligations by mortgage or deed of trust on any or all of its property and franchises, both real and personal.

(7) To appoint such subordinate officers and agents as the business of the association requires, prescribe their duties and fix their compensation.

(8) To make bylaws not inconsistent with any existing law for the transfer of its stock, the management of its property or the regulation of its affairs.

(9) To expel or suspend members or associates.

(10) Construct, repair, maintain, operate and lease or rent houses, dormitories, community rooms, dining halls, infirmaries, educational or assembly buildings and any other related buildings, including those used for heating, bathing facilities or domestic water supply.

(11) The board of directors of the association is authorized to levy assessments or other charges as they may determine, as a source of income, against the stockholders in proportion to the number of shares of stock held by each such stockholder.

HISTORY: 1962 Code § 3-714; 1962 (52) 2222.

**SECTION 46-39-150. Dissolution of association.**

Any association organized for the purposes aforesaid which shall have accomplished the purpose for which it has been organized or which may desire to wind up its affairs may do so upon a vote of a two-thirds majority of its members at a meeting of which published notice or written notice mailed to each member shall be given. Such notice shall state the purpose of the proposed meeting. A certificate stating such facts shall be filed with the Secretary of State.

HISTORY: 1962 Code § 3-715; 1962 (52) 2222.

**SECTION 46-39-160. Certified copy of charter as evidence of incorporation.**

A certified copy of the charter and any amendment thereof from the Secretary of State or from the clerk of the court or register of deeds of the county in which such charter is required to be recorded shall be sufficient evidence of the incorporation of any association chartered under this chapter and of any amendment to its certificate of incorporation.

HISTORY: 1962 Code § 3-716; 1962 (52) 2222.

**SECTION 46-39-170. Secretary of State to file and index charters and amendments.**

All papers required to be filed hereunder and all charters or amendments thereof that may be granted shall be filed under proper numbers and indexed by the Secretary of State. The charter or amendments shall be recorded within thirty days after its receipt in the office of the clerk of court or register of deeds in the county in which the corporation is organized.

HISTORY: 1962 Code § 3-717; 1962 (52) 2222.