

**Law to Amend the Cooperative Societies Ordinance (No. 8), 5771-2011\***

Amendment of  
Section 2

1. In the Cooperative Societies Ordinance<sup>1</sup> (hereinafter – the Ordinance),  
in Section 2 –

- (1) After the definition “central society” will come:

“The Galilee” – as defined in the Galilee Development Authority Law,  
5753-1993;<sup>2</sup>

“The Negev” – as defined in the Negev Development Authority Law,  
5752-1991;<sup>3</sup>

- (2) After the definition “committee” will come:

“Reservations committee” – a reservations committee as denoted in Section 6B;

“Admissions committee” – an admissions committee as denoted in Section 6B;

“Right to land” – a right to lease Israel lands or a right to lease Israel lands for generations as denoted in the Basic Law: Israel Lands,<sup>4</sup> including a right to register as a leasee or a leasee for generations, a right of someone who is a party to a development contract in a community town to register as a leasee or as a leasee for generations after fulfilling the terms of the contract, and renting for periods of time that total more than five years; for this matter, “lease” and “lease for generations” – as denoted in the Lands Law, 5729-1969;<sup>5</sup>

- (3) After the definition of “member” will come:

“Community town” – a community in the Galilee or Negev that is incorporated as a cooperative society classified by the Registrar as a rural community town or as a cooperative society for community town (in this definition – community), or the expansion of a kibbutz, of a cooperative moshav, of a workers’ moshav or of a cooperative village (in this definition – original community) that is incorporated as a cooperative society classified by the Registrar as a rural community town or as a cooperative society for community town that fulfills all of these:

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\* Enacted by the Knesset on 16 Adar Bet 5771 (22 March 2011); the legislative proposal and explanations were published in Knesset Bills – 341, on 1 Av 5770 (12 July 2010), p. 222.

<sup>1</sup> Laws of the Land of Israel, Volume A, p. (‘)336, 360 (a); Book of Laws 5765, p. 101.

<sup>2</sup> Book of Laws 5753, p. 138.

<sup>3</sup> Book of Laws, 5752, p. 26.

<sup>4</sup> Book of Laws, 5720, p. 56.

<sup>5</sup> Book of Laws, 5729, p. 259.

- (1) The number of households in the community, or in the original community and the expansion together, does not exceed 400;
- (2) The maximum number of households in the community, or in the original community and the expansion together, was limited in accordance with the directives of a national master plan or a district master plan, as denoted in the Planning and Building Law, 5725-1965.”<sup>6</sup>

Additions of  
sections 6B to 6D

2. After Section 6A of the Ordinance will come:

“Allocating land and transferring a  
right to land in a community town

- 6B. (A) (1) The allocation of land to a person for the purpose of acquiring the right to land in a community town in which an admissions committee operates will be executed after receiving the approval of the admissions committee.
- (2) The transfer of a right to land that was allocated to a person or a right to land that was legally transferred in a community town, as stated in paragraph (1), will be executed after the transferor receives approval from the admissions committee with regard to the transferee; the directives of this paragraph will also apply, with the requisite changes, to a transferee who is interested in transferring his land right to another person.
- (3) The transfer of a right to land in inheritance, whether in accordance with law or in accordance with a will in a community town, as stated in paragraph (1), does not require the approval of the admissions committee; however, the directives of paragraph (2) will apply to the heir, whether in accordance with law or in accordance with a will, who is interested in transferring his right to another person.
- (B) (1) An admissions committee of a community town will be composed of five members, and they are: two representatives of the community town; a representative of the movement with which the community town is affiliated or in which it is a member, and if the community town is not affiliated with a movement as stated or a member in it, or if the movement waives representation – an additional representative of the community town; a representative of the Jewish Agency for Israel or the World Zionist Organization; and a representative of the regional council under whose jurisdiction the community town is located.
- (2) The representative of the regional council on the admissions committee will be the head of the regional council or his deputy, or an employee of the council appointed by the head of the council, provided that they are not residents of the community town – and he will be the chairman.

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<sup>6</sup> Book of Laws 5725, p. 307.

- (C) If an admissions committee refuses to accept a candidate for a community town, it will provide him with a reasoned decision regarding its refusal.
- (D) The candidate and the community town are entitled to submit a reservation about the admissions committee's decision to the reservations committee.
- (E) The reservations committee will be composed of five members appointed by the Minister of Construction and Housing, and they are: a public figure with educational background in the field of law, social work or behavioral sciences, upon the recommendation of the Minister of Justice – and he will be the chairman; the Registrar of Cooperative Societies or his deputy; an employee of the Israel Land Administration; an employee of the Ministry of Welfare and Social Services upon the recommendation of the Minister of Welfare and Social Services; an employee of the Ministry of Agriculture and Rural Development upon the recommendation of the Minister of Agriculture and Rural Development.
- (F) The reservations committee is entitled to cancel a decision of the admissions committee, to approve it, to refer the matter back to the admissions committee for reconsideration, or to make another decision in its place.
- (G) The reservations committee will define the procedures for its work and will publish them on the Internet sites of the Ministry of Construction and Housing and the Ministry of Justice.

#### Considerations of the admissions committee

- 6C. (A) An admissions committee is entitled to refuse to accept a candidate for a community town based on one or more of these considerations only:
- (1) The candidate is a minor;
  - (2) The candidate lacks the economic ability to establish a home in the community town within the period of time stipulated in the land allocation agreement;
  - (3) The candidate has no intention of establishing the center of his life in the community town;
  - (4) The candidate is not suitable for the social life in the community; a decision by the admissions committee to refuse to accept a candidate due to this consideration will be based on a professional opinion by someone who is expert in identifying such suitability;
  - (5) The candidate's lack of compatibility with the social-cultural fabric of the community town, when there is reason to assume that this would harm this fabric;

- (6) Unique characteristics of the community town or acceptance criteria defined in the society's regulations, if there are such, provided that they received the approval of the Registrar.
- (B) In weighing the considerations cited in subsection (A), the admissions committee will take into account the future of the community town, how long it has existed, its strength and the nature of its population.
- (C) The admissions committee will not refuse to accept a candidate for reasons of race, religion, gender, nationality, disability, personal status, age, parenthood, sexual orientation, country of origin, political-party opinion or affiliation.

#### Preservation of authority

- 6D. The directives of sections 6B and 6C do not oblige the allocation of land to a person whose candidacy the admissions committee has approved.”

#### Amendment of the Courts for Administrative Affairs Law – No. 55

3. In the Courts for Administrative Affairs Law, 5760-2000,<sup>7</sup> with the first addition, at the end will come:

“39. Cooperative societies – a decision by a reservations committee under Section 6B of the Cooperative Societies Ordinance.”

#### Inception

4. This law will enter effect 30 days from its publication (hereinafter – the day of inception)

#### Application

5. The directives of this law will apply to the proceedings of the admissions committees in community towns that will begin from the day of inception and thereafter; in this section, “admissions committee” and “community town” – as they are defined in Section 2 of the Ordinance, as formulated in Section 1 of this law.

Benjamin Netanyahu  
Prime Minister

Shalom Simhon  
Minister of Industry, Trade and Labor

Shimon Peres  
President of Israel

Reuven Rivlin  
Speaker of the Knesset

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<sup>7</sup> Book of Laws 5760, p. 190; 5771, p. 665.