

## CHAPTER 144 — H.F.No. 918

*An act relating to cooperatives; procedure for elections by members or shareholders of cooperative electric associations on public utilities commission regulation; amending Minnesota Statutes 1980, Section 216B.02, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 216B.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 216B.02, Subdivision 4, is amended to read:

Subd. 4. **PUBLIC UTILITY.** "Public utility" means persons, corporations or other legal entities, their lessees, trustees, and receivers, now or hereafter operating, maintaining, or controlling in this state equipment or facilities for furnishing at retail natural, manufactured or mixed gas or electric service to or for the public or engaged in the production and retail sale thereof but does not include a municipality or a cooperative electric association, organized under the provisions of chapter 308 producing or furnishing natural, manufactured or mixed gas or electric service. Except as otherwise provided, the provisions of ~~Laws 1974, Chapter 429~~ this chapter shall not be applicable to any sale of natural gas or electricity by a public utility to another public utility for resale. No person shall be deemed to be a public utility if it presently furnishes its services only to tenants in buildings owned, leased or operated by such person. No person shall be deemed to be a public utility if it presently furnishes service to occupants of a mobile home or trailer park owned, leased, or operated by such person. No person shall be deemed to be a public utility if it presently produces or furnishes service to less than 25 persons.

A cooperative electric association may elect to become subject to rate regulation by the commission pursuant to sections 216B.03 to 216B.23. The election shall be (a) approved by July 1, 1978 by the board of directors of the association in accordance with the procedures for amending the articles of incorporation contained in section 308.15, subdivision 1, excluding the filing requirements; or (b) approved by a majority of members of stockholders voting by mail ballot initiated by petition of no less than five percent of the members or stockholders of the association. The ballot to be used for the election shall be approved by the board of directors and the department of public service. The department shall mail the ballots to the cooperative's members who shall return the ballots to the department. The department will keep the ballots sealed until a date agreed upon by the department and the board of directors. On this date, representatives of the department and the cooperative shall count the ballots. If a majority of the cooperative's members who vote elect to become subject to rate regulation by the commission, the election shall be effective 30 days after certified copies of the resolutions approving the election are filed with the commission. Any cooperative electric association subject to

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regulation of rates by the commission shall be exempt from the provisions of sections 216B.48, 216B.49, 216B.50, and 216B.51.

**Sec. 2. [216B.026] COOPERATIVE ELECTRIC ASSOCIATION; ELECTION ON REGULATION.**

**Subdivision 1. PETITION.** A cooperative electric association may elect to become subject to rate regulation by the commission pursuant to sections 216B.03 to 216B.23. The election shall be approved by a majority of members or stockholders voting by mail ballot initiated by petition of not less than five percent of the members or stockholders of the association, as determined by membership figures submitted by the association to the rural electric administration for the month in which the petition was submitted.

**Subd. 2. PETITION CONTENTS; VERIFICATION.** The petition form shall be prescribed by the department and sample forms shall be available from the department and electric cooperative associations. Petitions shall include a uniform statement that petition signers are requesting a balloting of the association membership on the question of regulation of electric rates of the association by the commission. The department shall, upon receipt, transmit the prescribed form of petition to the appropriate association for validation of petition signatures in accordance with agreed procedures between the association and the department. When the association rejects any signature on a petition as invalid, it shall provide the department with a written statement as to the reason the cooperative deems the signature invalid. The department may challenge the association's decisions on the validity of signatures and may appeal to the commission for a resolution of the issue through informal proceedings before the commission after notice to all parties.

**Subd. 3. VOTING FOR MEMBERS.** Whenever a vote or petition of members or stockholders of an association is submitted pursuant to this section, the spouse of the member or stockholder may sign the petition and vote on behalf of the member or stockholder unless the member or stockholder has notified the association in writing otherwise. Such a notification by a member or stockholder shall be provided to the association and to the department for those petition matters pursuant to this section.

**Subd. 4. ELECTION PROCEDURE; EFFECT.** If the department determines that the petition meets the five percent requirement, a balloting of members on the question of regulation of electric rates by the commission shall be supervised by the department. The ballot to be used for the election shall be approved by the board of directors of the association and the department. In the event of a dispute on balloting procedures, the dispute shall be resolved through informal proceedings before the commission after notice to all parties. The association shall mail ballots to the association's members who shall return the ballots to the department. The department shall keep the ballots sealed until a date agreed upon by the department and the board of directors. On this date, representatives of the department and the association shall count the

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ballots. If a majority of the association's members or spouses who vote, elect to become subject to rate regulation by the commission, the election shall be effective 30 days after certified copies of the resolutions approving the election are filed with the commission. These provisions also apply to associations that wish to be deregulated. Any cooperative that is regulated by the commission, pursuant to sections 216B.03 to 216B.23 may follow the procedures set forth above. Any association subject to regulation of rates by the commission shall be exempt from the provisions of sections 216B.48, 216B.49, 216B.50, and 216B.51.

Approved May 8, 1981

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### CHAPTER 145 — H.F.No. 928

*An act relating to the city of Isanti; authorizing the city to issue general obligation bonds for the acquisition and betterment of a municipal building.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

#### Section 1. CITY OF ISANTI BOND ISSUE.

The city of Isanti may issue general obligation bonds of the city in an aggregate principal amount not to exceed \$450,000 to finance the acquisition and betterment of a municipal building. The bonds shall be issued and sold in accordance with the provisions of Minnesota Statutes, Chapter 475, including the provision requiring the approval of a majority of the electors voting on the question of issuing the bonds. Notwithstanding any other statutory or charter provision, the principal amount of bonds issued shall not be included in computing any debt limit applicable to the city, nor shall the taxes required to be levied to pay the principal of and interest on the bonds be subject to any levy limitation or be included in computing any levy limitation applicable to the city.

#### Sec. 2. EFFECTIVE DATE.

This act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of Isanti.

Approved May 8, 1981

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### CHAPTER 146 — H.F.No. 1015

*An act relating to education; modifying the provisions governing teachers placed on unrequested leave of absence in experimental paired districts; amending Minnesota Statutes 1980, Section 122.85, Subdivision 4.*

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