

# ALASKA STATE SENATE



## SENATOR FRED DYSON

### SB 14 Electric/Telephone Coops: Board Terms SPONSOR STATEMENT

Senate Bill 14 will change the term limit for directors on the boards of telephone and electric cooperatives. Current statute, AS 10.25.160 states that terms for directors can only be three years, and this bill will allow cooperatives to lengthen director terms to four years. This change will allow flexibility among cooperatives and will increase the effectiveness of this important industry in the following ways:

Longer terms will allow more stability and continuity to each cooperative board; each director will have more time to be productive after going through the learning curve of the industry. It will give the additional option of having elections for directors biannually, potentially saving money on elections for cooperatives that choose to do so. The change in term length will not be mandatory for cooperatives that prefer to maintain the three year terms for directors.

Senate Bill 14 will amend current Alaska Statute to provide more flexibility to telephone and electric cooperatives by giving the option to lengthen the terms for directors allowing them to be more effective in their industry.

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