

**CS FOR HOUSE BILL NO. 114(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 2/16/11

Referred: Judiciary

Sponsor(s): REPRESENTATIVES THOMPSON, Neuman, Feige

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act relating to an opt-out charitable giving program offered by an electric or**  
2   **telephone cooperative; and allowing for an electric cooperative to assist persons in**  
3   **acquiring and installing weatherization and energy efficiency products and services."**

4   **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5    \* **Section 1.** AS 10.25.010(a) is amended to read:

6           (a) Except as provided in (b) of this section, an electric or telephone  
7       cooperative may

8                   (1) sue and be sued in its corporate name;

9                   (2) have perpetual existence;

10                  (3) adopt a corporate seal and alter it;

11                  (4) construct, buy, lease, or otherwise acquire, and equip, maintain,  
12       and operate, and sell, assign, convey, lease, mortgage, pledge, or otherwise dispose of  
13       or encumber lands, buildings, structures, electric or telephone lines or systems, dams,  
14       plants and equipment, and any other real or personal property, tangible or intangible,

1 that is necessary, convenient, or appropriate to accomplish the purpose for which the  
2 cooperative is organized;

3 (5) buy, lease, or otherwise acquire, and use, and exercise and sell,  
4 assign, convey, mortgage, pledge or otherwise dispose of or encumber franchises,  
5 rights, privileges, licenses, and easements;

6 (6) borrow money and otherwise contract indebtedness, and issue  
7 evidences of indebtedness, and secure the payment of the indebtedness by mortgage,  
8 pledge, or deed of trust of, or any other encumbrance upon its real or personal  
9 property, assets, franchises, or revenues;

10 (7) construct, maintain, and operate electric transmission and  
11 distribution lines, or telephone lines along, upon, under and across publicly owned  
12 lands and public thoroughfares, including, without limitation, all roads, highways,  
13 streets, alleys, bridges, and causeways;

14 (8) exercise the power of eminent domain;

15 (9) become a member of other cooperatives or corporations or own  
16 stock in them;

17 (10) conduct its business and exercise its powers inside or outside the  
18 state;

19 (11) adopt, amend, and repeal bylaws;

20 (12) make all contracts necessary, convenient, or appropriate for the  
21 full exercise of its powers;

22 (13) make donations for the public welfare or for charitable, scientific,  
23 or educational purposes;

24 (14) offer an opt-out charitable giving program as described in  
25 AS 10.25.237;

26 (15) do and perform any other act and thing, and have and exercise any  
27 other power that may be necessary, convenient, or appropriate to accomplish the  
28 purpose for which the cooperative is organized.

29 \* **Sec. 2.** AS 10.25.020 is amended to read:

30 **Sec. 10.25.020. Powers of electric cooperative.** An electric cooperative may

31 (1) generate, manufacture, purchase, acquire, accumulate, and transmit

electric energy, and distribute, sell, supply, and dispose of electric energy to its members, to governmental agencies and political subdivisions, and to other persons not exceeding 10 percent of the number of its members; however, a cooperative that acquires existing electric facilities may continue service to persons, not in excess of 40 percent of the number of its members, who are already receiving service from these facilities without requiring them to become members, and these persons may become members upon the terms as may be prescribed in the bylaws;

(2) assist persons to whom electric energy is or will be supplied by the cooperative in wiring their premises and in acquiring and installing electrical and plumbing appliances, equipment, fixtures, and apparatus, and weatherization and energy efficiency products and services by financing them, and, in connection with these services, wire or have wired the premises, and buy, acquire, lease, sell, distribute, install, and repair electric and plumbing appliances, equipment, fixtures, and apparatus, and weatherization and energy efficiency products and services;

(3) assist persons to whom electric energy is or will be supplied by the cooperative in constructing, equipping, maintaining, and operating electric cold storage or processing plants by financing them or otherwise;

(4) operate a waste heat distribution system;

(5) operate a heating distribution system that was in existence on June 9, 1988;

(6) provide sewer, water, or gas utility service if the cooperative has received a certificate of convenience and necessity under AS 42.05.221 - 42.05.281 from the former Alaska Public Utilities Commission or the Regulatory Commission of Alaska for each type of service provided;

(7) provide direct satellite television programming services; in this paragraph, "direct satellite television programming services" means a video broadcast signal that is received directly from a satellite by an end user.

\* **Sec. 3.** AS 10.25 is amended by adding a new section to article 1 to read:

**Sec. 10.25.237. Electric or telephone cooperative opt-out charitable giving program.** (a) Notwithstanding AS 45.45.930 and if approved by the membership of the cooperative in accordance with this chapter, an electric or telephone cooperative

1 may offer its members an opportunity to participate in an opt-out charitable giving  
 2 program that rounds the monthly bill of a member up to the next whole dollar amount  
 3 by an amount not to exceed 99 cents a month.

4 (b) To qualify as an allowable opt-out charitable giving program under this  
 5 section, the cooperative shall

6 (1) clearly identify on each monthly billing statement the amount  
 7 added after rounding to the next whole dollar amount and provide instructions on each  
 8 monthly billing statement explaining how to opt out of the program in person at the  
 9 cooperative, in writing, by telephone, or by using the Internet;

10 (2) include a notation on each monthly billing statement informing the  
 11 member that the amount rounded to the next whole dollar is a voluntary contribution  
 12 by the member;

13 (3) use the program's proceeds only for the relief of poverty, distress,  
 14 or other conditions of general public concern but not for religious organizations,  
 15 political organizations, organized labor unions, or other labor organizations, or for any  
 16 political purpose; and

17 (4) allow a member the opportunity to claim a full refund of all  
 18 amounts paid by the member under the program for at least the three preceding years.

19 \* **Sec. 4.** AS 45.45.930 is amended by adding a new subsection to read:

20 (f) This section does not apply to an opt-out charitable giving program offered  
 21 by an electric or telephone cooperative under AS 10.25.237.