

SB

260

Senator Linda Menard

Session

State Capitol, Room 9
Juneau, Alaska 99801
Phone: (907) 465-6600
Fax: (907) 465-3805

**Interim**

600 E. Railroad Ave.
Wasilla, Alaska 99654
Phone: (907) 376-3370
Fax: (907) 376-3157

Alaska State Legislature

To: Senator Linda Menard
Senate State Affairs Committee

From: Senator Linda Menard

Date: February 15, 2010

Re: Request for hearing of SB 260

Honorable Senator Linda Menard,

I respectfully request a hearing of Senate Bill No. 260 before the Senate State Affairs Committee.

Senate Bill 260 is an act relating to electronic voting procedures for electric and telephone cooperatives.

Thank you for your consideration.

Alaska State Legislature

Senator Linda Menard, Chair
State Capitol, Room 9
Juneau, Alaska 99801
Phone: (907) 465-6600
Fax: (907) 465-3805



Committee Members:
Senator Albert Kookesh
Senator Hollis French
Senator Joe Paskvan
Senator Kevin Meyer

Senate State Affairs Committee

SPONSOR STATEMENT: Senate Bill 260

Senate Bill 260 puts in statute the ability for telephone or electric cooperatives to allow members to vote by electronic transmission as specified by the coop's by-laws.

Currently, coop members may only vote in person or via the postal service. This method, however, is outdated and could be having a negative impact on member participation in elections and other important matters.

By allowing telephone and electric coops to permit voting via electronic transmission approved in its by-laws, the Legislature will make it so common 21st century practices may be applied to important public involvement matters.

There is a zero fiscal note with this bill, and coops in every corner of Alaska will be enthused the Legislature has had the foresight to pass legislation important to their public process. This bill does not make electronic transmission voting mandatory, and cooperatives choose whether they want to partake or not.

Already, however, Matanuska Telephone Association (MTA) members have voted to adopt a new bylaw allowing electronic transmission voting. All MTA, and other coops, need is for the Legislature amends the statute to allow these coops to do so.

Please help me in facilitating the quick passage of SB 260.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 16, 2010

SUBJECT: Sectional summary of SB 260 (Work Order No. 26-LS1359R)

TO: Senator Linda Menard
Chair of the Senate State Affairs Committee
Attn: Michael Rovito

FROM: Brian J. Kane *BJK*
Legislative Counsel

You have requested a sectional summary of SB 260, a bill relating to electronic voting procedures for electric and telephone cooperatives.

Please note that a sectional summary of a bill is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 of the bill allows for members of electric or telephone cooperatives to vote on matters by electronic transmission if the bylaws so provide.

Section 2 of the bill adds an electronic transmission option for determining a record date for notice to members of an electric or telephone cooperative.

Section 3 of the bill adds electronic transmission to the prohibited means of voting for a member or district delegate at a meeting and allows for voting for the district directors by electronic transmission.

Section 4 of the bill allows for electronic voting as an option for voting on an amendment to the articles of incorporation for an electric or telephone cooperative.

Section 5 of the bill provides for an immediate effective date.

BJK:plm
10-074.plm

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB260
 () Publish Date: _____

Identifier (file name): SB260-CED-RCA-02-16-10
 Title Electric & Telephone Cooperatives' Voting
 Sponsor Senate State Affairs
 Requester Senate State Affairs
 Dept. Affected: DCCED
 RDU Regulatory Commission of Alaska (399)
 Component Regulatory Commission of Alaska
 Component Number 2417

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES							
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES ()							
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This proposed legislation would amend voting procedures in AS 10.25 for electric and telephone cooperatives to authorize electronic voting.

(ANALYSIS CONTINUED)

Prepared by: Robert M. Pickett, Chairman
 Division: Regulatory Commission of Alaska
 Approved by: Emil R. Notti, Commissioner
Commerce, Community, and Economic Development

Phone 907.276.6222
 Date/Time 2/16/10 12:30 p.m.
 Date 2/16/2010

FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 260

2010 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

The Regulatory Commission of Alaska (RCA) has limited jurisdiction that includes regulating the rates and services of non-exempt electric and telephone cooperatives. See AS 42.05.141. With the exception of deregulation elections governed by AS 42.05.712, RCA jurisdiction does not extend to membership voting procedures. Members of electric and telephone cooperatives seeking to enforce the electronic voting procedures proposed by this legislation would need to pursue judicial recourse rather than RCA intervention.

Since the RCA will not be involved in enforcing the amended voting procedures, it will not experience any increase in workload based on the passage of SB 260.

February 15, 2010

Senator Linda Menard, Chair
Senate State Affairs Committee
State Capitol, Room 9
Juneau, Alaska 99801

Dear Senator Menard:

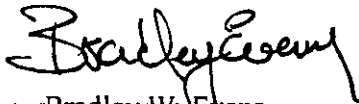
I am writing to express Chugach Electric Association's support for SB 260. Chugach is very much in favor of AS 10.25 being changed to allow cooperatives the option of electronic voting in their co-op elections.

As drafted, SB 260 makes electronic transmission of a ballot optional for those cooperatives whose members vote to change their bylaws to permit it. Chugach agrees making this voting method optional and member driven is the right approach. It is also important to note the bill allows each cooperative to determine voting procedures that are appropriate for their organization, thereby providing the flexibility for each co-op to decide how best to implement electronic voting. Once again, we think that is the right way to proceed. We understand that not all cooperatives might want to offer electronic voting, and those that do, might want to limit the means of transmission in order to ensure a secure and efficient election process.

Electronic voting is a choice that we believe many members will appreciate. Chugach members already voted several years ago to change the bylaws to permit electronic voting when state law is changed.

Chugach urges legislative support of SB 260.

Sincerely,



Bradley W. Evans
Chief Executive Officer



Sent Via Email: Sen.Linda.Menard@legis.state.ak.us
Sent Via Fax: 907.465.3805

February 12, 2010

Honorable Linda Menard
 Alaska State Capitol, Room #9
 Juneau, AK 99801

RE: SB 260 – Electric/Telephone Cooperatives Voting

Dear Senator Menard:

I'm writing to ask for your support on SB 260 "An Act relating to electronic voting procedures for electric and telephone cooperatives: and providing for an effective date".

As you know, the internet has changed forever the way we communicate and do business. Alaskans have more than embraced this new world and currently lead the country as the most Internet-connected state in America. Matanuska Telephone Association (MTA) is very proud of the work we have done, to bring the future to those we serve, by building a state-of-the-art telecommunications network capable of providing a high speed broadband connection to 98% of our member/owners.

Given this connectivity and the efficiency and effectiveness it can bring, MTA proactively presented to its membership in 2007 a proposed bylaw change to allow electronic voting and to send and receive documents electronically. In the balloting process, we explained that before implementation could take place, the Alaska Legislature would need to amend State cooperative law to allow for electronic voting. Our membership voted overwhelmingly to adopt the new bylaw allowing electronic voting, as determined by MTA's Board of Directors.

It goes without saying that electronic voting can be faster and more efficient for MTA and its members. It will also save considerable postage costs, make counting votes in our elections more efficient and help reduce wasted paper. But, more importantly, MTA believes this method of balloting promotes members ability to have every option available to them to participate in their cooperative elections.

On behalf of MTA's membership and our Board, I ask for your support of the Senate Bill 260 to allow electronic voting for our members.

Thank you for your consideration.

Sincerely,

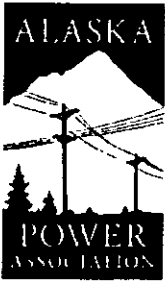
Greg Benberich
 Chief Executive Officer

Matanuska Telephone Association Inc.
 1740 South Chugach Street
 Palmer, Alaska 99645

907.745.3211
 800.478.3211 (in Alaska)

www.mtasolutions.com

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Alaska Power Association
703 West Tudor Road, Suite 200
Anchorage, Alaska 99503-6650
907-561-6103
Fax: 907-561-5547
www.alaskapower.org

February 12, 2010

Senator Linda Menard, Chair
Senate State Affairs Committee
Alaska State Legislature
Capitol Building Room 9
Juneau, Alaska 99801

Re: Support for SB 260: Permitting Electronic Voting for Cooperatives

Dear Senator Menard:

Alaska Power Association supports Senate Bill 260, electronic voting for electric and telephone cooperatives. Alaska Power Association is the statewide trade association for the electric utilities that supply power to more than a half-million Alaskans in communities from Barrow to Unalaska and down the Inside Passage.

Member representation through the exercise of voting rights is a cornerstone of the principles of cooperatives. Voting is permitted under the cooperative statute in person and by U.S. mail if the cooperative's bylaws allow it. The Internet has made it possible for secure and private activity to be conducted via electronic means.

Alaska Power Association urges and supports amendments to the Alaska Statutes that would allow cooperative members to exercise their voting rights via the Internet if their bylaws so allow.

We urge support of this bill and its passage from your committee at the earliest time.

Sincerely,

Marilyn Leland
Executive Director



February 10, 2010

Mr. Michael Rovito
Office of Sen. Linda Menard
Capitol Building Room 9
Juneau, Alaska 99801

Re: Support for SB 260 – Permitting Electronic Voting for Cooperatives

Dear Mr. Rovito,

Please convey to Sen. Menard and the Senate State Affairs Committee Alaska Village Electric Cooperative's strongest support for SB 260.

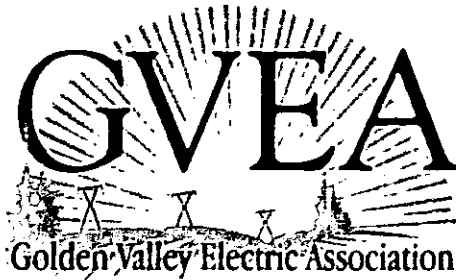
The language in SB 260 is not mandatory, but rather permissive, allowing cooperatives that have been so directed by their members, through their bylaws, to institute electronic voting on matters that may come before the membership.

In this modern age, where communication via the postal service has become almost archaic, it is only logical that the communication channels that are most used by most individuals should be permitted for the conduct of commerce. Indeed, it is now impossible to deal with some state agencies, such as APOC, by any other method, since it is simply not allowed!


I urge support of this bill and its passage from your committee at the earliest time.

Yours sincerely,

Meera Kohler
President and CEO



PO Box 71249, Fairbanks, AK 99707-1249 • (907) 452-1151 • www.gvea.com

Your Touchstone Energy® Cooperative 

February 16, 2010

The Honorable Linda Menard
Chair, Senate Affairs Committee
Alaska State Legislature
State Capitol, Room 9
Juneau, Alaska 99801

Subject: Support for SB 260 – permitting electronic voting for cooperatives

Honorable Menard:

Golden Valley Electric Association, Inc. supports Senate Bill 260. Golden Valley is in favor of AS 10.25 being changed to allow cooperatives the option of electronic voting in their co-op elections.

Currently, Golden Valley is in the process of conducting a membership bylaw election which will amend our bylaws to permit electronic voting. Allowing this option acknowledges that the Internet has become a universal platform for sharing information. It offers co-op members a choice in submitting their ballot. Electronic submission will also save on cooperative mailing & handling costs.

Using the Internet as a universal medium to conduct business does not preclude our traditional means of operating and communicating with our members, but offers an additional option. I look forward to your support of this bill and its passage from your committee. If you have any questions, please feel free to contact me.

Sincerely,



Brian Newton
President and CEO

Senator Linda Menard

Session

State Capitol, Room 9
Juneau, Alaska 99801
Phone: (907) 465-6600
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Interim

600 E. Railroad Ave.
Wasilla, Alaska 99654
Phone: (907) 376-3370
Fax: (907) 376-3157

Alaska State Legislature

In-person testimony for SB 260:

Phil Steyer, Chugach Electric Association

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 2/5/10

FURTHER: Judiciary

Date of 5-Day Notice: 2/11/10
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2/18/10

State Affairs Committee considered SENATE BILL NO. 260

SB 260 ELECTRIC & TELEPHONE COOPERATIVES' VOTING

"An Act relating to electronic voting procedures for electric and telephone cooperatives; and providing for an effective date."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
DLCED	02/10/10			X	1

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	French	X			
Chair: <i>[Signature]</i>	MENARD	X			
<i>[Signature]</i>	Meyer	X			