

CHAPTER 37

RURAL ELECTRIFICATION COOPERATIVES

SUBCHAPTER 1

GENERAL PROVISIONS

§3701. Short title

This chapter shall be known and may be cited as the "Rural Electrification Cooperative Enabling Act." [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3702. Purpose

Cooperative nonprofit membership corporations may be organized under this chapter for the purpose of supplying electricity and promoting and extending the use of electricity. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3703. Definitions

As used in this chapter, unless the context otherwise indicates, the following words have the following meanings: [PL 1987, c. 141, Pt. A, §6 (NEW).]

1. Person. "Person" means person as defined in section 102 or any public agency, state or political subdivision or agency of the State, or any body politic.
[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Rural electrification cooperative or cooperative. "Rural electrification cooperative" or "cooperative" means any corporation organized under this chapter or which becomes subject to this chapter in the manner provided.
[RR 2009, c. 1, §24 (COR).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). RR 2009, c. 1, §24 (COR).

§3704. Name

The name of a cooperative shall be distinct from the name of any other cooperative or corporation organized under the laws of, or authorized to do business in this State. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3705. Refunds

Revenues of a cooperative for any fiscal year shall be applied as follows: [PL 1987, c. 141, Pt. A, §6 (NEW).]

1. Expenses. To defray the expenses of the operation and maintenance of the facilities of the cooperative during the fiscal year;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Interest and obligations. To pay interest and principal obligations of the cooperative coming due in the fiscal year;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Reserve for construction of facilities. To finance or to provide a reserve for the financing of the construction or acquisition by the cooperative of additional facilities to the extent determined by the board of trustees;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Reserve for working capital. To provide a reasonable reserve for working capital; and
[PL 1987, c. 141, Pt. A, §6 (NEW).]

5. Reserve for indebtedness. To provide a reserve for the payment of indebtedness of the cooperative in an amount not less than the total of the interest and principal payments in respect thereof required to be made during the next following fiscal year;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

Any remaining revenues shall, unless otherwise determined by a vote of the members, be distributed by the cooperative to its members as patronage refunds prorated in accordance with the patronage of the cooperative by the respective members, paid for during such fiscal year. Nothing in this section prohibits the payment by a cooperative of all or any part of its indebtedness prior to the date when it becomes due. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3706. Nonliability of members for debts of cooperative

No member may be liable or responsible for any debts of the cooperative and the property of the members may not be subject to execution for the cooperative's debts. This section does not apply to a generation and transmission cooperative organized in accordance with subchapter IV. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3707. Recordation of mortgages; effect

All after-acquired property of a cooperative or foreign corporation described or referred to as being mortgaged or pledged in a mortgage, deed of trust or other instrument is subject to the lien on that property immediately upon the acquisition of the property by the cooperative or foreign corporation, whether or not the property was in existence at the time of the execution of the mortgage, deed of trust or other instrument. Recordation of a mortgage, deed of trust or other instrument constitutes notice and otherwise has the same effect with respect to the after-acquired property owned by the cooperative or foreign corporation at the time of the execution of the mortgage, deed of trust or other instrument and described or referred to in the instrument as being mortgaged or pledged. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3708. Fees

The Secretary of State shall charge and collect for filing articles of incorporation, articles of amendment, articles of consolidation or articles of conversion a fee of \$5, and for filing certificate of election to dissolve, articles of dissolution or certificate of change of principal office a fee of \$2. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3709. Cooperatives are public utilities; jurisdiction of Public Utilities Commission

Cooperatives are public utilities and subject to this Title, notwithstanding any public or private and special laws to the contrary. [PL 1987, c. 141, Pt. A, §6 (NEW).]

1. Commission to hear complaints. Any person who has been refused membership in or service by a cooperative or who is receiving inadequate service may complain to the commission which may, after hearing, upon finding that such service may reasonably be rendered, order the cooperative to provide the person with reasonably adequate service.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Unreasonable membership requirement. If the commission, after hearing, determines that a requirement of membership in a cooperative is unreasonable or unjust, it shall order the requirement repealed or not to be enforced.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3710. Filing of articles

1. Articles filed by Secretary of State. Articles of incorporation, amendment, conversion or dissolution, when executed and acknowledged and accompanied by such affidavits as may be required by this chapter, must be presented to the Secretary of State for filing in the records of the office of the Secretary of State. If the Secretary of State determines that the articles presented conform to the requirements of this chapter, the Secretary of State shall, upon the payment of the fees as provided in section 3708, file the articles in the records of the office of the Secretary of State.

[RR 2021, c. 1, Pt. B, §414 (COR).]

2. Articles in effect upon filing. Upon the filing by the Secretary of State the incorporation, amendment, conversion or dissolution provided for in the articles is in effect.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Application of this section to certificates of election to dissolve. This section applies to certificates of election to dissolve and affidavits executed in connection with the certificates pursuant to section 3755, subsection 2.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). RR 2021, c. 1, Pt. B, §414 (COR).

SUBCHAPTER 2

ORGANIZATION

§3731. Incorporators

Five or more natural persons or 2 or more cooperatives may organize a cooperative in the manner provided in this subchapter. [PL 1987, c. 141, Pt. A, §6 (NEW).]

This section does not apply to a generation and transmission cooperative organized in accordance with subchapter IV. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3732. Articles of incorporation

1. Contents of articles. The articles of incorporation of a cooperative shall recite that they are executed pursuant to this chapter and shall state:

- A. The name of the cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]
- B. The address of its principal office; [PL 1987, c. 141, Pt. A, §6 (NEW).]
- C. The names and addresses of the incorporators; and [PL 1987, c. 141, Pt. A, §6 (NEW).]
- D. The names and addresses of its trustees. [PL 1987, c. 141, Pt. A, §6 (NEW).]

[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Articles not inconsistent with this chapter. The articles of incorporation may contain any provisions not inconsistent with this chapter determined necessary or advisable for the conduct of its business.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Articles signed by incorporators. The articles shall be signed by each incorporator and acknowledged by at least 2 of the incorporators, or on their behalf, if they are cooperatives.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Purpose and corporate powers. It is not necessary to recite in the articles of incorporation of a cooperative the purpose for which it is organized or any of its corporate powers.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3733. Bylaws

1. Trustees adopt first bylaws. The board of trustees shall adopt the first bylaws of a cooperative to be adopted following an incorporation, conversion or consolidation.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Members adopt, amend or repeal following bylaws. After the first bylaws have been adopted, the members shall adopt, amend or repeal the bylaws by the affirmative vote of a majority of those members voting at a meeting of the members.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Contents of bylaws. The bylaws shall set forth the rights and duties of members and trustees and may contain other provisions for the regulation and management of the affairs of the cooperative not inconsistent with this chapter or with its articles of incorporation.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3734. Members

1. Incorporators are members. Each incorporator of a cooperative is a member of the cooperative, but no other person may become a member unless that person agrees to use transmission and distribution service or other services furnished by the cooperative when they are made available through its facilities.

[PL 1999, c. 398, Pt. A, §89 (AMD); PL 1999, c. 398, Pt. A, §§104, 105 (AFF).]

2. Requirements of membership. Any member of a cooperative who agrees to use transmission and distribution service ceases to be a member if that member does not use transmission and distribution service supplied by the cooperative within 6 months after it is made available or if transmission and distribution service is not made available by the cooperative within 2 years after the member becomes a member or such lesser period as the bylaws of the cooperative may provide.

[PL 1999, c. 398, Pt. A, §89 (AMD); PL 1999, c. 398, Pt. A, §§104, 105 (AFF).]

3. Joint membership. A husband and wife may hold a joint membership in a cooperative.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Membership not transferable. Membership in a cooperative is not transferable, except as provided in the bylaws.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

5. Additional qualifications. The bylaws may prescribe additional qualifications and limitations in respect to membership.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). PL 1999, c. 398, §A89 (AMD). PL 1999, c. 398, §§A104,105 (AFF).

§3735. Meetings

1. Annual meetings. An annual meeting of the members of a cooperative shall be held at such time and place as provided in the bylaws.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Special meetings. Special meetings of the members may be called by the president, by the board of trustees, by any 3 trustees or by not less than 10% of the members.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Notice. Except as otherwise provided in this chapter, written or printed notice stating the time and place of each meeting of the members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, must be given to each member, either personally or by mail, not less than 10 days nor more than 25 days before the date of the meeting. If mailed, notice is deemed given when deposited in the United States mail with postage prepaid addressed to the member at the member's address as it appears on the records of the cooperative.

[RR 2021, c. 1, Pt. B, §415 (COR).]

4. Quorum. Unless the bylaws prescribe the presence of a greater percentage or number of the members for a quorum, a quorum for the transaction of business at all meetings of the members of a cooperative, having not more than 1,000 members, shall be 5% of all members, present in person, and of a cooperative, having more than 1,000 members, shall be 50 members, present in person. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice.

This subsection does not apply to a generation and transmission cooperative organized in accordance with subchapter IV. A quorum for such a cooperative shall be specified in the bylaws.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

5. Voting. Each member shall be entitled to one vote on each matter submitted to a vote at a meeting of the members. Voting shall be in person, but, if the bylaws so provide, may also be by proxy or by mail, or both. If the bylaws provide for voting by proxy or by mail, they shall also prescribe the conditions under which such voting shall be permitted. No person may vote as proxy for more than 3 members at any meeting of the members.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). RR 2021, c. 1, Pt. B, §415 (COR).

§3736. Waiver of notice

Any person entitled to notice of a meeting may waive the notice in writing either before or after the meeting. If the person attends the meeting, that person's attendance constitutes a waiver of notice of the meeting, unless the person participates in the meeting solely to object to the transaction of any business because the meeting has not been legally called or convened. [RR 2021, c. 1, Pt. B, §416 (COR).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). RR 2021, c. 1, Pt. B, §416 (COR).

§3737. Board of trustees

1. Number and qualifications. A board of not less than 5 trustees shall manage the business of a cooperative. Each trustee shall be a member of the cooperative or of another cooperative which is a member of the cooperative. The bylaws shall prescribe the number of trustees, their qualifications, other than those prescribed in this chapter, the manner of holding meetings of the board of trustees and of electing successors to trustees and of electing successors to trustees who resign, die or otherwise become incapable of acting.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Removal and salaries. The bylaws may provide for the removal of trustees from office and for the election of their successors. Trustees may not receive any salaries for their services as trustees and, except in emergencies, may not be employed by the cooperative in any capacity involving compensation without the approval of the members. The bylaws may provide that a fixed fee and expenses of attendance be allowed to each trustee for attendance at each meeting of the board of trustees.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Term of office. The trustees of a cooperative named in the articles of incorporation or conversion hold office until the next annual meeting of the members and until their successors are elected and qualify. At each annual meeting or, in case of failure to hold the annual meeting as specified in the bylaws, at a special meeting called for that purpose, the members shall elect trustees to hold office until the next annual meeting of the members, except as otherwise provided in this chapter. Each trustee holds office for the term for which that trustee is elected and until that trustee's successor is elected and qualified.

[RR 2021, c. 1, Pt. B, §417 (COR).]

4. Staggered terms. Instead of electing the whole number of trustees annually, the bylaws may provide that the trustees be divided into either 2 or 3 classes, each class to be as nearly equal as possible. The term of office of trustees of the first class shall expire at the first annual meeting of members after their election, that of the 2nd class shall expire at the 2nd annual meeting after their election and that of the 3rd class, if any, shall expire at the 3rd annual meeting after their election. At each annual meeting after classification, the number of trustees equal to the number of the class whose term expires at the time of the meeting shall be elected to hold office until the 2nd succeeding annual meeting, if

there are 2 classes, or until the 3rd succeeding annual meeting, if there are 3 classes. No classification of trustees may be effective prior to the first annual meeting of members.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

5. Quorum. A majority of the board of trustees shall constitute a quorum.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

6. Joint membership. If 2 or more individuals hold a joint membership in a cooperative, only one of them, may be elected a trustee.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

7. Powers. The board of trustees may exercise all of the powers of a cooperative not conferred upon the members by this chapter or its articles of incorporation or bylaws.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). RR 2021, c. 1, Pt. B, §417 (COR).

§3738. Districts

The bylaws may provide for the division of the territory served or to be served by a cooperative into 2 or more districts for any purpose, including, without limitation, the nomination and election of trustees and the election and functioning of district delegates. In such case, the bylaws shall prescribe the boundaries of the districts or the manner of establishing the boundaries, or the manner of changing the boundaries, and the manner in which the districts shall function. No member at any district meeting and no district delegate at any meeting may vote by proxy or by mail. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3739. Officers

The officers of a cooperative consist of a president, vice-president, secretary and treasurer, who must be elected annually by and from the board of trustees. When a person holding office ceases to be a trustee, that person ceases to hold office. The offices of secretary and of treasurer may be held by the same person. The board of trustees may elect or appoint other officers, agents or employees as it determines necessary or advisable and shall prescribe their powers and duties. Any officer may be removed from office and a successor elected in the manner prescribed in the bylaws. [RR 2021, c. 1, Pt. B, §418 (COR).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). RR 2021, c. 1, Pt. B, §418 (COR).

SUBCHAPTER 3

POWERS

§3751. Powers generally

A cooperative may: [PL 1987, c. 141, Pt. A, §6 (NEW).]

1. Sue. Sue in its corporate name;

[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Be sued. Be sued in its corporate name;

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Seal. Adopt and alter a corporate seal;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Use of electricity. Generate, manufacture, purchase, acquire, accumulate and transmit electricity, and distribute, sell, supply and dispose of electricity to its members;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

5. Use of electrical and plumbing appliances. Assist persons to whom electricity 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 by financing, or otherwise; wire or cause to be wired the premises; and purchase, acquire, lease as lessor or lessee, sell, distribute, install and repair the electric and plumbing appliances, equipment, fixtures and apparatus;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

6. Electric cold storage or processing plants. Assist persons to whom electricity is or will be supplied by the cooperative in constructing, equipping, maintaining and operating electric cold storage or processing plants, by financing or otherwise;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

7. Acquire certain plants and equipment. Construct, purchase, lease as lessee or otherwise acquire; equip, maintain and operate; sell; assign; convey; lease as lessor; or mortgage, pledge or otherwise dispose of or encumber electric transmission and distribution lines or systems, electric generating plants, electric cold storage or processing plants, lands, buildings, structures, dams, plants and equipment and any other real or personal property, tangible or intangible, which is determined necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized. In the construction and operation of their facilities, cooperatives shall comply with all safety laws and regulations applicable to electric utilities;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

8. Electric transmission and distribution lines. Construct, maintain and operate electric transmission and distribution lines along, upon, under and across publicly owned lands and public thoroughfares, including all roads, highways, streets, alleys, bridges and causeways, subject to chapters 23 and 25;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

9. Franchises, licenses, rights and easements. Purchase, lease as lessee, or otherwise acquire; use and exercise, and sell, assign, convey, mortgage, pledge or otherwise dispose of or encumber franchises, rights, privileges, licenses and easements;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

10. Contract indebtedness. Borrow money and otherwise contract indebtedness; issue notes, bonds and other evidences of indebtedness; and secure the payment by mortgage, pledge or deed of trust, or any other encumbrance upon, any or all of its then owned or after-acquired real or personal property, assets, franchises, revenues or income;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

11. Member of other cooperatives. Become a member of other cooperatives or corporations or to own stock in them;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

12. Bylaws. Adopt, amend and repeal bylaws;
[PL 1987, c. 141, Pt. A, §6 (NEW).]

13. Other consistent acts. Perform any other acts and have and exercise any other powers which may be necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized.
[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3752. Amendment of articles

A cooperative may amend its articles of incorporation as follows. [PL 1987, c. 141, Pt. A, §6 (NEW).]

1. Meeting and notice. The proposed amendment shall be presented to a meeting of the members. The proposed amendment shall be set forth in or attached to the notice of the meeting. [PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Approval. If the proposed amendment, with any changes, is approved by the affirmative vote of not less than 2/3 of those members voting on the amendment at the meeting, articles of amendment shall be executed and acknowledged on behalf of the cooperative by its president or vice-president and its seal shall be affixed to the articles and attested by its secretary. [PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Contents of articles of amendment. The articles of amendment shall recite that they are executed pursuant to this chapter and shall state:

A. The name of the cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]

B. The address of its principal office; and [PL 1987, c. 141, Pt. A, §6 (NEW).]

C. The amendment to its articles of incorporation. [PL 1987, c. 141, Pt. A, §6 (NEW).]
[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Affidavit. The president or vice-president executing the articles shall make and attach to the articles an affidavit stating that this section was complied with. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3753. Change of location of principal office

A cooperative may, upon authorization of its board of trustees or its members, change the location of its principal office by filing a certificate reciting the change, executed and acknowledged by its president or vice-president under its seal, attested by its secretary, in the office of the Secretary of State. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3754. Conversion of existing corporations

A corporation organized on a cooperative plan under the laws of this State and supplying or authorized to supply electric energy may be converted into a cooperative by complying with the following requirements and shall upon compliance be subject to this chapter with the same effect as if originally organized under this chapter. [PL 1987, c. 141, Pt. A, §6 (NEW).]

1. Meeting and notice. The proposition for the conversion of the corporation into a cooperative and proposed articles of conversion shall be submitted to a meeting of the members or stockholders of the corporation. The proposed articles of conversion shall be attached to the notice of the meeting. [PL 1987, c. 141, Pt. A, §6 (NEW).]

2. Approval. If the proposition for the conversion of the corporation into a cooperative and the proposed articles of conversion, with any amendments, are approved by the affirmative vote of not less than 2/3 of those members of the corporation voting on the articles at the meeting, or, if the corporation

is a stock corporation, by the affirmative vote of the holders of not less than 2/3 of those shares of the capital stock of the corporation represented at the meeting and voting on the articles, articles of conversion shall be executed and acknowledged on behalf of the corporation by its president or vice-president and its seal shall be affixed to the articles and attested by its secretary.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Contents of articles of conversion. The articles of conversion shall recite that they are executed pursuant to this chapter and shall state:

A. The name of the corporation and the address of its principal office prior to its conversion into a cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]

B. The law or laws under which it was organized; [PL 1987, c. 141, Pt. A, §6 (NEW).]

C. A statement that the corporation elects to become a cooperative, nonprofit, membership corporation subject to this chapter; [PL 1987, c. 141, Pt. A, §6 (NEW).]

D. Its name as a cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]

E. The address of the principal office of the cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]

F. The names and addresses of the trustees of the cooperative; and [PL 1987, c. 141, Pt. A, §6 (NEW).]

G. The manner in which members or stockholders of the corporation may or shall become members of the cooperative; and may contain any provisions not inconsistent with this chapter determined necessary or advisable for the conduct of the business of the cooperative. [PL 1987, c. 141, Pt. A, §6 (NEW).]

[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Affidavit. The president or vice-president executing the articles shall make and attach to the articles an affidavit stating that this section was complied with. The articles of conversion shall be deemed to be the articles of incorporation of the cooperative.

[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3755. Dissolution generally

1. When a cooperative has not commenced business. A cooperative which has not commenced business may be dissolved by delivery to the Secretary of State articles of dissolution which shall be executed and acknowledged on behalf of the cooperative by a majority of the incorporators and which shall state:

A. The name of the cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]

B. The address of its principal office; [PL 1987, c. 141, Pt. A, §6 (NEW).]

C. That the cooperative has not commenced business; [PL 1987, c. 141, Pt. A, §6 (NEW).]

D. That any sums received by the cooperative, less any part disbursed for expenses of the cooperative, have been returned or paid to those entitled to them; [PL 1987, c. 141, Pt. A, §6 (NEW).]

E. That no debt of the cooperative is unpaid; and [PL 1987, c. 141, Pt. A, §6 (NEW).]

F. That a majority of the incorporators elect that the cooperative is dissolved. [PL 1987, c. 141, Pt. A, §6 (NEW).]

[PL 1987, c. 141, Pt. A, §6 (NEW).]

2. When cooperative has commenced business. A cooperative which has commenced business may be dissolved in the following manner.

A. The members at any meeting shall approve, by the affirmative vote of not less than 2/3 of those members voting on the proposal at the meeting, a proposal that the cooperative be dissolved. [PL 1987, c. 141, Pt. A, §6 (NEW).]

B. Upon such approval, a certificate of election to dissolve, executed and acknowledged on behalf of the cooperative by its president or vice-president under its seal, attested by its secretary and stating the name of the cooperative; the address of its principal office; and that the members of the cooperative have duly voted that the cooperative be dissolved, shall, together with an affidavit made by its president or vice-president executing the certificate, stating that the statements in the certificate are true, be submitted to the Secretary of State for filing. [PL 1987, c. 141, Pt. A, §6 (NEW).]

C. Upon the filing of the certificate and affidavit by the Secretary of State, the cooperative shall cease to carry on its business, except to the extent necessary for the winding up of its business, but its corporate existence shall continue until articles of dissolution have been filed by the Secretary of State. [PL 1987, c. 141, Pt. A, §6 (NEW).]
[PL 1987, c. 141, Pt. A, §6 (NEW).]

3. Notice to creditors. The board of trustees shall immediately cause notice of the dissolution proceedings to be mailed to each known creditor of and claimant against the cooperative and to be published once a week for 2 successive weeks in a newspaper of general circulation in the county in which the principal office of the cooperative is located.
[PL 1987, c. 141, Pt. A, §6 (NEW).]

4. Actions against the cooperative. All actions against the cooperative shall be commenced within one year from the date of filing the certificate of election to dissolve.
[PL 1987, c. 141, Pt. A, §6 (NEW).]

5. Winding up cooperative affairs. The board of trustees shall wind up and settle the affairs of the cooperative, collect sums owing to it, liquidate its property and assets, pay and discharge its debts, obligations and liabilities and perform all other acts required to wind up its business. After paying or discharging or adequately providing for the payment or discharge of all its debts, obligations and liabilities, the board of trustees shall, after one year from the date of filing the certificate to dissolve, distribute any remaining sums among its members and former members in proportion to the patronage of the respective members or former members during the 7 years next preceding the date of the filing of the certificate by the Secretary of State, or if the cooperative has not been in existence for that period, then during the period of its existence prior to the filing.
[PL 1987, c. 141, Pt. A, §6 (NEW).]

6. Articles of dissolution when a cooperative has commenced business. The board of trustees shall, upon the winding up of the cooperative, authorize the execution of articles of dissolution, which shall be executed and acknowledged on behalf of the cooperative by its president or vice-president, and its seal shall be affixed to the articles and attested by its secretary. The president or vice-president executing the articles of dissolution shall make and attach to the articles an affidavit stating that the statements made in them are true. The articles of dissolution shall recite that they are executed pursuant to this chapter and shall state:

A. The name of the cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]

B. The address of its principal office; [PL 1987, c. 141, Pt. A, §6 (NEW).]

C. The date on which the certificate of election to dissolve was filed by the Secretary of State; [PL 1987, c. 141, Pt. A, §6 (NEW).]

D. That there are no actions or suits pending against the cooperative; [PL 1987, c. 141, Pt. A, §6 (NEW).]

E. That all debts, obligations and liabilities of the cooperative have been paid and discharged or that adequate provision has been made for their payment or discharge; and [PL 1987, c. 141, Pt. A, §6 (NEW).]

F. That this section has been complied with. [PL 1987, c. 141, Pt. A, §6 (NEW).]
[PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

SUBCHAPTER 4

GENERATION AND TRANSMISSION COOPERATIVES

§3771. Organization of generation and transmission cooperatives

One or more cooperatives formed under this Title may organize and control a cooperative having as its principal purpose the generation, manufacture, purchase, acquisition, accumulation, transmission, sale, supply and disposal of electric energy. Such a cooperative shall have all of the powers of cooperatives formed under this Title. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

§3772. Jurisdiction of Public Utilities Commission

Cooperatives formed under this subchapter are public utilities and subject to the requirements of this Title, except for those requirements of this chapter which are inconsistent with the operation of cooperatives formed under this subchapter, notwithstanding any public or private laws to the contrary. Those cooperatives require the authorization of the commission to transmit, sell, supply or dispose of electric energy to any member of the cooperative. That authorization may be granted by order or rule. [PL 1987, c. 141, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW).

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