

1 HOUSE BILL 380

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

4 Gail Armstrong

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9  
10 AN ACT

11 RELATING TO RURAL ELECTRIC COOPERATIVES; ALLOWING MAIL-IN OR  
12 PROXY BALLOTS TO COUNT TOWARD ESTABLISHING A QUORUM.

13  
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

15 SECTION 1. Section 62-15-8 NMSA 1978 (being Laws 1939,  
16 Chapter 47, Section 8, as amended) is amended to read:

17 "62-15-8. MEMBERS.--

18 A. No person who is not an incorporator shall  
19 become a member of a cooperative unless ~~[he]~~ the person agrees  
20 to use electric energy furnished by the cooperative when  
21 electric energy is available through its facilities. The  
22 bylaws of a cooperative may provide that any person, including  
23 an incorporator, shall cease to be a member of a cooperative if  
24 ~~[he]~~ the person fails or refuses to use electric energy made  
25 available by the cooperative or if the electric energy is not

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1 made available to that person by the cooperative within a  
2 specified time after ~~[he]~~ the person becomes a member of the  
3 cooperative. Membership in the cooperative shall not be  
4 transferable except as provided in the bylaws. The bylaws may  
5 prescribe additional qualifications and limitations in respect  
6 of membership.

7 B. An annual meeting of the members shall be held  
8 at such time as shall be provided in the bylaws or, if not  
9 contrary to the bylaws, by the board of trustees.

10 C. Special meetings of the members may be called by  
11 the board of trustees, by any three trustees, by petition  
12 signed by not less than ten percent of the members or by the  
13 president.

14 D. Annual and special meetings of members, whether  
15 general or by voting districts established pursuant to the  
16 Rural Electric Cooperative Act, shall be held at such place as  
17 may be provided in the bylaws. In the absence of any such  
18 provision, all general meetings shall be held in the city or  
19 town in which the principal office of the cooperative is  
20 located, and all meetings by voting districts shall be held at  
21 a location set by the board of trustees within the boundaries  
22 of each district.

23 E. Except as otherwise provided in the Rural  
24 Electric Cooperative Act, written or printed notice stating the  
25 time and place of each meeting of members and, in the case of a

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1 special meeting, the purpose for which the meeting is called,  
2 shall be given to each member by the board of trustees or the  
3 secretary, or their legal representatives, either personally or  
4 by mail not less than ten or more than twenty-five days before  
5 the date of the meeting. Failure to receive notice deposited  
6 in the mail addressed to a member at the member's address shown  
7 on the cooperative's books and records shall not affect the  
8 validity of any business conducted at a meeting.

9 F. Five percent of all members present in person  
10 constitutes a quorum for the transaction of business at all  
11 meetings of the members, unless the bylaws prescribe [~~the~~  
12 ~~presence of a greater or lesser~~] a different number of members  
13 for determining a quorum. The bylaws may allow for ballots  
14 submitted by mail or proxy to be considered in establishing a  
15 quorum for the sole purpose of voting on an issue or question,  
16 the language of which is stated exactly in the notices and on  
17 the ballots provided to all members. If less than a quorum is  
18 present at any meeting, [~~a~~] the majority of those present in  
19 person may adjourn the meeting from time to time without  
20 further notice. The failure to hold a meeting of members due  
21 to the absence of a quorum shall not affect the validity of any  
22 business conducted by the board of trustees.

23 G. Each member shall be entitled to one vote on  
24 each matter submitted to a vote at a meeting. Voting shall be  
25 in person; provided that if the bylaws provide for voting by

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1 proxy or by mail, the bylaws shall prescribe the conditions  
2 under which proxy or mail voting shall be exercised. No person  
3 shall vote as proxy for more than three members at any meeting  
4 of the members.

5 H. All actions required by the Rural Electric  
6 Cooperative Act to be adopted or approved by a simple majority  
7 or greater number of members voting on the action at an annual  
8 or special meeting may be acted upon by voting at a general  
9 meeting or, to the extent and in the manner that the board of  
10 trustees may authorize, by voting by the voting districts  
11 established pursuant to that act, so long as the requisite  
12 majority of members voting on the action is obtained regardless  
13 of whether such a majority is obtained in any particular voting  
14 district. Action by voting by the voting districts shall be  
15 valid if a quorum exists as a result of a series of voting  
16 district meetings regardless of whether a quorum is present in  
17 any particular voting district."

18 SECTION 2. Section 62-15-10 NMSA 1978 (being Laws 1939,  
19 Chapter 47, Section 10, as amended) is amended to read:

20 "62-15-10. VOTING DISTRICTS.--

21 A. Notwithstanding any other provision of the Rural  
22 Electric Cooperative Act, the bylaws of a cooperative may  
23 provide that the territory in which a cooperative supplies  
24 electric energy to its members shall be divided into two or  
25 more voting districts and that, in respect of each such voting

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1 district:

2 (1) a designated number of trustees shall be  
3 elected by the members residing in that district;

4 (2) a designated number of delegates shall be  
5 elected by the members residing in that district; or

6 (3) both trustees and delegates shall be  
7 elected by the members residing in that district.

8 B. The bylaws shall prescribe the manner in which  
9 voting districts, and the members, delegates and trustees  
10 thereof, if any, elected therefrom, shall function. The bylaws  
11 shall also set forth the powers of the delegates, which may  
12 include the power to elect trustees. No delegate [~~at any~~  
13 ~~meeting shall vote~~] who has voted by proxy or by mail on an  
14 issue or question shall vote in person on the same issue or  
15 question.

16 C. Voting by members at voting district meetings  
17 shall be in person, unless otherwise provided in the bylaws.  
18 The bylaws shall prescribe the conditions under which voting by  
19 mail shall be exercised."

20 SECTION 3. EFFECTIVE DATE.--The effective date of the  
21 provisions of this act is July 1, 2017.