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FISCAL IMPACT REPORT

SPONSOR Armstrong, G. ORIGINAL DATE 3/01/17
LAST UPDATED _____ HB 380

SHORT TITLE Rural Electric Co-op Proxy Ballots As Quorum SB _____

ANALYST Martinez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		
NFI	NFI	NFI	NFI

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Regulation Commission (PRC)

SUMMARY

Synopsis of Bill

HB380 applies to the establishment of a quorum at meetings of members of rural electric cooperatives. HB380 does not change the existing requirement that 5% of all members present in person constitutes a quorum unless the bylaws prescribe a greater or lesser number for a quorum.

However, this bill permits cooperative bylaws to allow for mail-in or proxy ballots to be considered in establishing a quorum. Such a quorum would only be to vote on a matter as stated in the notice and on the ballots provided to members.

FISCAL IMPLICATIONS

HB 380 carries no appropriation and will not have a fiscal impact on the New Mexico Public Regulation Commission (PRC).

SIGNIFICANT ISSUES

New Mexico's rural electric cooperatives provide vital utility services to over 211,000 New Mexico families and businesses who own their electric cooperatives. They control its bylaws, vote on any significant changes in its operations and elect trustees to direct its activities. Their

cooperatives serve approximately 80 percent of the land mass in New Mexico. The cooperatives protect the interests of their consumers-members through the New Mexico Rural Electric Cooperative Association.

There are 19 rural electric distribution cooperatives in New Mexico.

There are no significant issues for the PRC. This governance matter appears to be within the scope of the rural electric cooperative.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The establishment of quorums for meetings of the members of rural electric cooperatives will remain consistent with the existing statute which requires 5% of all members be present unless the cooperative bylaws prescribe a different number.

JM/sb