

# State of South Dakota

SEVENTY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 1997

376A0711

SENATE STATE AFFAIRS COMMITTEE

ENGROSSED NO. **HB1167** - 2/25/97

Introduced by: Representatives Cutler, Haley, Pederson (Gordon), Richter, Schaunaman, Sperry, and Wetz and Senators Halverson, Dennert, Drake, Lange, Morford-Burg, Olson, and Thompson

1 FOR AN ACT ENTITLED, An Act to revise the purposes for which rural electric cooperatives  
2 may be organized.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 47-21-2 be amended to read as follows:

5 47-21-2. ~~Cooperative, nonprofit membership corporations may be organized under this~~  
6 ~~chapter for the purpose of supplying energy derived from any source whatsoever including but~~  
7 ~~not limited to fossil fuel, sun, wind, water, and biomass fuels except solid waste and to promote~~  
8 ~~and extend the use thereof in rural areas. Cooperatives may provide television service which~~  
9 ~~includes multi-channel multi-point distribution systems, including those which utilize coaxial~~  
10 ~~cable, and direct broadcast satellite service, and may provide programming to customers via a~~  
11 ~~CATV system, as defined in § 9-35-16, in any municipality which does not have an operating~~  
12 ~~CATV system. Cooperatives organized under this chapter may also provide and engage in~~  
13 ~~activities such as rural, residential, commercial and industrial development, sewer service, water~~  
14 ~~and waste water service, and housing development, and may engage in any lawful purpose in~~

1 ~~regard to such activities except banking and insurance. Cooperatives may be organized under this~~  
2 ~~chapter for any lawful purpose except banking, securities, and insurance. Cooperatives proposing~~  
3 ~~to provide local exchange telephone service in a rural telephone company's service area may do~~  
4 ~~so only in compliance with the procedures contained in section 251(f) of the Communication Act~~  
5 ~~of 1934, as amended by the Telecommunications Act of 1996.~~

6 Section 2. That § 47-21-62 be amended to read as follows:

7 47-21-62. A cooperative ~~shall have power to~~ may generate, manufacture, purchase, acquire,  
8 accumulate, and transmit electric energy, and ~~to~~ may distribute, sell, supply, and dispose of  
9 electric energy to its members, to governmental agencies and political subdivisions, and to other  
10 persons ~~not in excess of ten percentum of the number of its members, and, provided, further, that~~  
11 ~~a cooperative which acquires existing electric facilities may continue service to persons, not in~~  
12 ~~excess of forty percentum of the number of its members, who are already receiving service from~~  
13 ~~such facilities without requiring such persons to become members but such persons shall have~~  
14 ~~the right to become members upon such terms as may be prescribed in the bylaws.~~

1 **BILL HISTORY**

2 1/29/97 First read in House and referred to State Affairs. H.J. 199

3 2/3/97 Scheduled for Committee hearing on this date.

4 2/3/97 State Affairs Do Pass Amended, Passed, AYES 10, NAYS 2. H.J. 255

5 2/5/97 House of Representatives Do Pass Amended, Passed, AYES 59, NAYS 9. H.J. 324

6 2/6/97 First read in Senate and referred to State Affairs. S.J. 347

7 2/24/97 Scheduled for Committee hearing on this date.

8 2/24/97 State Affairs Do Pass Amended, Passed, AYES 9, NAYS 0. S.J. 594