

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

772A0845

SENATE BILL NO. 271

Introduced by: Senators Halverson, Dennert, Drake, Johnson (William), Kloucek, Lange,
Morford-Burg, Reedy, and Symens and Representatives Cutler, Haley, Lucas,
Schaunaman, Volesky, and Wetz

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~~
15 ~~regard to such activities except banking and insurance. Cooperatives may be organized under this~~

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

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

6 47-21-62. A cooperative ~~shall have power to~~ may generate, manufacture, purchase, acquire,
7 accumulate, and transmit electric energy, and to may distribute, sell, supply, and dispose of
8 electric energy to its members, to governmental agencies and political subdivisions, and to other
9 persons ~~not in excess of ten percentum of the number of its members, and, provided, further, that~~
10 ~~a cooperative which acquires existing electric facilities may continue service to persons, not in~~
11 ~~excess of forty percentum of the number of its members, who are already receiving service from~~
12 ~~such facilities without requiring such persons to become members but such persons shall have~~
13 ~~the right to become members upon such terms as may be prescribed in the bylaws.~~

14 Section 3. That chapter 47-21 be amended by adding thereto a NEW SECTION to read as
15 follows:

16 The provisions of House Bill 1227 as previously enacted by the Seventy-second Session of
17 the South Dakota Legislative Assembly apply to all cooperatives organized under this chapter.