



Colorado Legislative Council Staff Fiscal Note

NO FISCAL IMPACT

Drafting Number: LLS 10-0502

Date: January 14, 2010

Prime Sponsor(s): Rep. Levy

Bill Status: House Transportation and Energy

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TITLE: CONCERNING INCREASED TRANSPARENCY IN THE GOVERNANCE OF COOPERATIVE ELECTRIC ASSOCIATIONS.

Summary of Legislation

Current law allows cooperative electric associations (CEAs) to exempt themselves from regulation by the Colorado Public Utilities Commission (PUC) and operate solely under the control of their elected board of directors. This bill establishes statutory requirements regarding board meetings, the election of board members, and conflicts of interest.

Specifically, the bill requires that an opportunity for public input be provided at board meetings, and that meeting minutes be posted on the CEA's web site. CEAs must also post, at least 6 months in advance of an election, a policy governing the election of board members, including information on the necessary qualifications for candidates and election dates. CEA employees must disclose all financial or non-monetary support for candidates, and all candidates must be given equal access to member lists and provide contact information to CEA members. In addition, the bill:

- requires the random ordering of candidate names on the ballot, without automatically assigning the top line to the incumbent;
- prohibits candidates or CEA employees from handling cast ballots without the presence of a neutral third party; and
- prohibits a CEA from expending money or other resources, including mailings, to support or oppose a board candidate.

Notice of board meetings and copies of all relevant documents must be posted on the CEA's web site at least 14 days in advance. For special meetings, postings must occur when the meeting is scheduled. Finally, in case of conflicts between the bill's provisions and laws governing nonprofit corporations, the bill's provisions control. The bill takes effect August 11, 2010, if the General Assembly adjourns on May 12, 2010, as scheduled, and no referendum petition is filed.

Assessment

The bill establishes statutory requirements for CEAs. Since CEAs are exempt from state regulation, the bill does not impact workload for the PUC or any other state agency. Thus, the bill does not affect state or local revenue or expenditures and is assessed as having no fiscal impact.

Departments Contacted

Regulatory Agencies