

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 2034

SPONSOR: Commerce and Economic Opportunities Committee and Senator Latvala

SUBJECT: Rural Electric Cooperatives

DATE: April 17, 2001 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Joseph	Maclure	CM	Favorable/CS
2.	Weidenbenner	Poole	AG	Favorable
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill authorizes a rural electric cooperative (REC) to adopt bylaws that permit voting by a limited proxy. It sets forth the procedures for the use of a limited proxy and abolishes the use of a general proxy. It describes ways that members can authorize and submit their appointment of a limited proxy.

This bill substantially amends section 425.09, Florida Statutes.

II. Present Situation:

An REC is a membership corporation that supplies electric energy in rural areas. Chapter 425, Florida Statutes (Rural Electric Cooperatives) establishes powers, directs how an REC is to be organized and contains provisions regarding the regulation and management of the affairs of an REC. Section 425.09, F.S. permits voting by proxy or mail in accordance with conditions which must be set forth in the bylaws. It further provides that such votes shall be counted toward a quorum only as to the election of trustees. A proxy can vote for no more than three members at any meeting of the members.

III. Effect of Proposed Changes:

Section 1. Amends s. 425.09(6), F.S., to permit voting by limited proxy as follows:

- A majority of a quorum is required to approve any motion or matter at a members' meeting.
- Members voting by limited proxy or by mail are counted as present for determining a quorum.

- Members voting by limited proxy or by mail can only vote on matters specifically listed and identified on the mail ballot or proxy.

Amends s. 425.09(7), F.S., to set the following limits on the use of a proxy:

- Prohibits the use of a general proxy.
- Provides that limited proxy is only valid for 90 day period after the meeting date for which it was given.
- Provides that every proxy is revocable at any time by the member executing it.
- Removes any limit on the number of proxies one person may vote if the bylaws so provide.

Adds s. 425.09(8) which sets out the following ways to appoint a limited proxy:

- By signing an appointment form personally or by the member's attorney in fact. It may also be signed by the member's authorized officer, director, employee, or agent using any reasonable means, including, but not limited to facsimile signature.
- A reproduced form is sufficient as well as an executed telegram or cablegram or other electronic transmission from the member. The authorization may be sent to the proxy or to a proxy solicitation firm, proxy support service organization, registrar, or agent authorized by the person who will be designated as the proxy.
- Any telegram, cablegram, or other electronic transmission must be submitted with information sufficient to enable the inspectors of election or their substitutes to determine that the member authorized the submission. Information relied upon to make this determination must be specified.

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Section 2. Provides an effective date of October 1, 2001.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

C. Government Sector Impact:

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
