

## **BILL ANALYSIS**

Senate Research Center  
83R14233 RWG-D

S.B. 1577  
By: Fraser  
Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 1577 addresses concerns regarding the election of the board of directors for Pedernales Electric Cooperative. Currently, although there are geographic districts established, directors are elected at-large. S.B. 1577 seeks to ensure equal representation for members of Pedernales Electric Cooperative by establishing single-member districts. The board shall attempt to create districts with equal numbers of people.

With a service area of over 8,100 square miles, single-member districts will help to better reflect the concerns of the cooperative's members.

As proposed, S.B. 1577 amends current law relating to the election of directors of certain electric cooperatives.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 161, Utilities Code, by adding Section 161.0721, as follows:

Sec. 161.0721. ELECTION OF DIRECTORS IN CERTAIN LARGE COOPERATIVES.

(a) Provides that this section applies only to an electric cooperative with more than 180,000 members that is partially located in a county with a population of more than one million and less than 1.5 million.

(b) Authorizes directors to be elected only by district. Requires the board of directors of an electric cooperative (board) to establish single-member districts from which the directors are to be elected. Requires the board, in establishing districts, to attempt to have directors represent geographic areas with equal numbers of people.

(c) Authorizes a member to vote for a director to represent a district only if the member resides in that district.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2013.