

By: Dale

H.B. No. 3451

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the election of directors of certain electric  
3 cooperatives.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter B, Chapter 161, Utilities Code, is  
6 amended by adding Section 161.0721 to read as follows:

7 Sec. 161.0721. ELECTION OF DIRECTORS IN CERTAIN LARGE  
8 COOPERATIVES. (a) This section applies only to an electric  
9 cooperative with more than 200,000 members that is partially  
10 located in a county with a population of more than one million and  
11 less than 1.5 million.

12 (b) Directors may be elected only by district. The board  
13 shall establish single-member districts from which the directors  
14 are to be elected. In establishing the districts, the board shall  
15 ensure that directors represent geographic areas in which  
16 approximately equal numbers of members reside.

17 (c) A member may vote for a director to represent a district  
18 only if the member resides in that district.

19 (d) To be elected, a candidate must receive a majority of  
20 the total number of votes received in the candidate's district.

21 (e) If no candidate for a particular district receives the  
22 vote necessary to be elected, a runoff election for that office is  
23 required.

24 (f) A director serves a four-year term.

1       (g) The first board of directors elected from the districts  
2 established under Subsection (b) may agree to establish a system of  
3 staggered terms by providing that approximately half of that first  
4 board of directors will serve initial terms of two years.

5       (h) Elections must be held in November of an odd-numbered  
6 year.

7       SECTION 2. (a) An electric cooperative to which Section  
8 161.0721, Utilities Code, as added by this Act, applies shall  
9 establish single-member districts as required by that section as  
10 soon as practicable, and not later than October 1, 2015.

11       (b) The electric cooperative shall hold an election as  
12 required by this Act on or before November 30, 2015. At that  
13 election, all board member positions will be up for election. The  
14 terms of all directors serving on the date of the election are  
15 terminated, and the terms of the newly elected directors begin, on  
16 January 31, 2016.

17       SECTION 3. This Act takes effect immediately if it receives  
18 a vote of two-thirds of all the members elected to each house, as  
19 provided by Section 39, Article III, Texas Constitution. If this  
20 Act does not receive the vote necessary for immediate effect, this  
21 Act takes effect September 1, 2015.