

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1185**

Introduced by Morfeld, 46.

Read first time January 19, 2022

Committee: Natural Resources

- 1 A BILL FOR AN ACT relating to the Electric Cooperative Corporation Act;
- 2 to amend sections 70-703, 70-704, and 70-705, Reissue Revised
- 3 Statutes of Nebraska; to change provisions relating to the powers of
- 4 an electric cooperative corporation; to harmonize provisions; and to
- 5 repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 70-703, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 70-703 Cooperative, nonprofit, membership corporations may be  
4 organized for the purpose of engaging in rural electrification and the  
5 furnishing of electric energy at retail to persons in rural areas not  
6 served with electrical energy through existing facilities within such  
7 rural areas.

8 Sec. 2. Section 70-704, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 70-704 Each corporation shall have power: (1) To sue and be sued,  
11 complain, and defend, in its corporate name; (2) to have perpetual  
12 succession unless a limited period of duration is stated in its articles  
13 of incorporation; (3) to adopt a corporate seal, which may be altered at  
14 pleasure, and to use it or a facsimile thereof, as required by law; (4)  
15 to generate and ~~, manufacture,~~ purchase for retail distribution ~~,~~  
16 ~~acquire, and accumulate~~ electric energy and to transmit, distribute, and  
17 sell at retail ~~, furnish, and dispose of~~ such electric energy; (5) to  
18 acquire, own, hold, use, exercise and, to the extent permitted by law, to  
19 sell, mortgage, pledge, hypothecate, and in any manner dispose of  
20 franchises, rights, privileges, licenses, rights-of-way, and easements  
21 necessary, useful, or appropriate; (6) to purchase, receive, lease as  
22 lessee, or in any other manner acquire, own, hold, maintain, sell,  
23 exchange, and use any and all real and personal property or any interest  
24 therein for the purposes expressed herein; (7) to borrow money and  
25 otherwise contract indebtedness, to issue its obligations therefor, and  
26 to secure the payment thereof by mortgage, pledge, or deed of trust of  
27 all or any of its property, assets, franchises, revenue, or income; (8)  
28 to sell and convey, mortgage, pledge, lease as lessor, and otherwise  
29 dispose of all or any part of its property and assets; (9) to have the  
30 same powers now exercised by law by public light and power districts or  
31 private corporations to use any of the streets, highways, or public lands

1 of the state or its political subdivisions in the manner provided by law;  
2 (10) to have and exercise the power of eminent domain for the purposes  
3 expressed in section 70-703 in the manner set forth in sections 76-704 to  
4 76-724 and to have the powers and be subject to the restrictions of  
5 electric light and power corporations and districts as regards the use  
6 and occupation of public highways and the manner or method of  
7 construction and physical operation of plants, systems, and transmission  
8 lines; (11) to accept gifts or grants of money, services, or property,  
9 real or personal; (12) to make any and all contracts necessary or  
10 convenient for the exercise of the powers granted herein; (13) to fix,  
11 regulate, and collect rates, fees, rents, or other charges for electric  
12 energy furnished by the corporation; (14) to elect or appoint officers,  
13 agents, and employees of the corporation and to define their duties and  
14 fix their compensation; (15) to make and alter bylaws not inconsistent  
15 with the articles of incorporation or with the laws of this state for the  
16 administration and regulation of the affairs of the corporation; and (16)  
17 to sell or lease its dark fiber pursuant to sections 86-574 to 86-578;  
18 ~~and (17) to do and perform, either for itself or its members or for any~~  
19 ~~other corporation organized under the Electric Cooperative Corporation~~  
20 ~~Act or for the members thereof, any and all acts and things and to have~~  
21 ~~and exercise any and all powers as may be necessary, convenient, or~~  
22 ~~appropriate to effectuate the purpose for which the corporation is~~  
23 ~~organized.~~ Notwithstanding any law, ordinance, resolution, or regulation  
24 of any political subdivision to the contrary, each corporation may  
25 receive funds and extend loans pursuant to the Nebraska Investment  
26 Finance Authority Act.

27 Sec. 3. Section 70-705, Reissue Revised Statutes of Nebraska, is  
28 amended to read:

29 70-705 Any twenty or more natural persons, residents of the  
30 territory to be served by the corporation, of the age of twenty-one years  
31 or more, residents of this state, may act as incorporators of a

1 corporation to be organized under the Electric Cooperative Corporation  
2 Act sections 70-701 to 70-738 by executing articles of incorporation as  
3 provided under the act. A corporation organized and existing under the  
4 authority of the act shall be engaged in the sale of electricity at  
5 retail to end users. Any organization or corporation not so engaged may  
6 not exercise any authority granted in the Electric Cooperative  
7 Corporation Act. in said sections.

8       Sec. 4.   Original sections 70-703, 70-704, and 70-705, Reissue  
9 Revised Statutes of Nebraska, are repealed.