

ELECTRIC COOPERATIVE MEMBER-REGULATION ACT (EXCERPT)
Act 167 of 2008

460.35 Election to become member-regulated; overturn of proposal by members.

Sec. 5. The members of a cooperative that has elected to become member-regulated may overturn the proposal adopted by the board of directors by complying with the following:

(a) An election to overturn the vote by the board of directors to be member-regulated shall be called not less than 120 days after receipt of a valid petition signed by 5% or 750 members of the cooperative, whichever is less.

(b) The proposition to overturn the vote by the board of directors to be member-regulated shall be presented to a meeting of the members of the cooperative, the notice of which shall set forth the proposition for member-regulation and the time and place of the meeting. The cooperative shall deliver written notice to members not less than 21 days or more than 60 days before the date of the meeting. Notice shall be sent in the same manner as the notice for the meeting at which the proposal was acted upon. The cooperative shall pay the costs to notify the members of an election under this subdivision.

(c) Voting on the proposition to overturn the vote by the board of directors to be member-regulated shall be by mail ballot, and internet, provided members attending the meeting provided for in subdivision (b) may execute and deliver their ballot to the cooperative during or at the conclusion of the meeting. Proxy voting shall not be permitted.

(d) If the proposition to overturn the vote by the board of directors to be member-regulated is approved by the affirmative vote of not less than 2/3 of the members voting on the proposition, and at least 10% of the total number of members cast a vote, the cooperative shall notify the commission in writing of the results within 10 days after the date of the election, and the cooperative shall no longer be member-regulated as provided for in this act 90 days following the date of the notice to the commission.

(e) A cooperative's members may vote no more than once every 24 months to overturn the vote by the board of directors to be member-regulated as provided in this act.

(f) If the proposition to overturn the vote by the board of directors to be member-regulated is approved by the members in accordance with this section, the board of directors may not act on a proposal to member-regulate as provided for under section 4 until 36 months from the date notice of the election to overturn the vote of the board of directors was provided to the commission under subdivision (d).

History: 2008, Act 167, Imd. Eff. June 26, 2008.