



February 3, 1999

SENATE BILL No. 286

DIGEST OF SB 286 (Updated February 2, 1999 2:27 pm - DI 75)

Citations Affected: IC 8-1; IC 36-8.

Synopsis: Telephone services. Provides that 911 is the universal emergency telephone number. Requires a communication system established or operated by the state or a local government unit that is available to members of the public as a means to report an emergency and to request assistance to use 911 as the exclusive universal emergency telephone number. Provides that rural telephone cooperative companies must annually designate and elect those officers the corporation considers necessary.

Effective: July 1, 1999.

Nugent

January 7, 1999, read first time and referred to Committee on Commerce and Consumer Affairs.
February 2, 1999, amended, reported favorably — Do Pass.

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February 3, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

SENATE BILL No. 286

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 8-1-17-6 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 6. At the time the commission
3 approves the articles of incorporation of any cooperative corporation,
4 it shall issue to it, and place on file a duplicate of, a certificate of public
5 convenience and necessity accurately describing the territory within
6 which such cooperative corporation shall be authorized to operate.
7 Thereafter, such territory may be changed by a new certificate issued
8 and filed by the commission:
9 (1) to harmonize with the result of proceedings pursuant to
10 section 21(c) of this chapter, or any other statute empowering the
11 commission to determine the territory within which any telephone
12 company or cooperative may operate; or
13 (2) to harmonize with findings made by the commission upon
14 petition for change of territory signed by the **president and**
15 **secretary appropriate officers** of the cooperative corporation,
16 accompanied by a certified copy of a resolution authorizing the
17 same duly adopted by its board of directors and also by a map

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1 showing clearly both the old and the proposed new territory and
2 filed with the commission.

3 Such findings as to a local cooperative corporation shall be made only
4 after the commission ascertains whether such petition proposed a
5 change in such territory as will affect territory being served by any
6 other cooperative corporation or any telephone company.

7 SECTION 2. IC 8-1-17-7 IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) Each cooperative corporation
9 formed under this chapter shall have a board of directors, which board
10 shall constitute the governing body of the cooperative corporation. The
11 directors of a local cooperative corporation must be members of the
12 same and, except as named in its articles of incorporation, directors of
13 any cooperative corporation shall be elected by its members.

14 (b) Unless the bylaws of the cooperative corporation provide
15 otherwise, such directors shall be elected annually. The bylaws may
16 provide that the directors may hold office for any stated period not
17 exceeding three (3) years, and be so elected that the terms of only part
18 of such directors shall expire at any one (1) time and that only enough
19 directors to succeed those whose terms are about to expire need be
20 elected in any year.

21 (c) The bylaws may provide that the area in which the members of
22 the cooperative corporation reside shall be apportioned into districts
23 and prescribe the procedure by which the members residing in any one
24 (1) district may nominate a director.

25 (d) The bylaws may specify a fair remuneration for the time actually
26 spent by its officers, directors, and members of its executive committee
27 in the performance of their duties as such and provide that the same be
28 paid them respectively. The officers, directors, and members of the
29 executive committee shall be entitled to reimbursement for expenses
30 incurred by them in the performance of their duties whether or not the
31 bylaws provide that they be remunerated for their time spent in such
32 performance.

33 (e) The board shall annually **designate and** elect ~~a president, a vice~~
34 ~~president, a secretary, and a treasurer. The president and vice president~~
35 ~~shall be elected from the members of the board of directors. those~~
36 **officers it considers necessary.**

37 SECTION 3. IC 8-1-17-9 IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE JULY 1, 1999]: Sec. 9. (a) A cooperative corporation
39 may issue to its members certificates of membership and each member
40 shall be entitled to only one (1) vote on each question or election at any
41 regular or special meetings of the cooperative corporation.

42 (b) Meetings of members may be held at such place as may be

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1 provided in the bylaws. An annual meeting of the members shall be
 2 held at such time as may be provided by the bylaws. Special meetings
 3 may be called ~~by the president~~; by the board of directors, by a petition
 4 signed by not less than five percent (5%) of all the members, or by such
 5 other officers or persons as may be provided in the articles of
 6 incorporation or by the bylaws.

7 (c) Written or printed notice stating the place, day, and hour of the
 8 meeting of members, and, in the case of a special meeting, the purpose
 9 or purposes for which the meeting is called, shall be delivered not less
 10 than ten (10) nor more than thirty (30) days before the date of the
 11 meeting, either personally or by mail, by or at the direction of the
 12 ~~president or the secretary~~; or the officers or persons calling the meeting,
 13 to each member of record entitled to vote at such meeting. If mailed,
 14 such notice shall be deemed to be delivered when deposited in the
 15 United States mails in a sealed envelope addressed to the member at
 16 his address as it appears on the records of the cooperative corporation,
 17 with postage prepaid. Notice of meetings of members may be waived
 18 in writing.

19 (d) Unless otherwise provided in the articles of incorporation, two
 20 percent (2%) of all the members of the cooperative corporation present
 21 in person at any meeting of members, of which meeting notice shall
 22 have been given as provided in the foregoing subdivision (c) of this
 23 section, shall constitute a quorum for the transaction of business at
 24 such meeting.

25 (e) A majority vote of those members who are present in person at
 26 any regular meeting, or at any special meeting of the members called
 27 for that purpose, shall be necessary for the taking of any action,
 28 adoption of any resolution, or the election of any officers, or otherwise,
 29 as the case may be.

30 SECTION 4. IC 8-1-17-23 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 23. (a) A cooperative
 32 corporation may amend its articles of incorporation to change its
 33 corporate name, to increase or reduce the number of its directors, or
 34 change any other provisions therein; provided, that any change of
 35 location of the principal office may be effected in the manner set forth
 36 in section 24 of this chapter, and further provided that no cooperative
 37 corporation shall amend its articles of incorporation to embody therein
 38 any purpose, power, or provision which would not be authorized if its
 39 original articles of incorporation, including such additional or changed
 40 purpose, power, or provision, were offered for filing at the time articles
 41 under this section are offered. Such amendment may be accomplished
 42 by filing articles of amendment which shall be entitled and endorsed



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1 "Articles of Amendment of _____" (the blank space being
2 filled in with the name of the cooperative corporation) and state:

3 (1) The name of the cooperative corporation, and if it has been
4 changed, the name under which it was originally incorporated.

5 (2) The date of filing the articles of incorporation in each public
6 office where filed.

7 (3) Whether the statement of counties within which its operations
8 are to be conducted is to be changed, and if so the new statement
9 of such counties.

10 (4) The ~~president or vice president~~ **officer** executing such articles
11 of amendment shall make and annex thereto an affidavit stating
12 that the provisions of this section in respect to the amendment set
13 forth in such articles were complied with.

14 (b) Such articles shall be subscribed in the name of the cooperative
15 corporation by the ~~president or vice president, and by the secretary or~~
16 ~~the assistant secretary, appropriate officers of the corporation~~ who
17 shall make and annex an affidavit stating that they have been
18 authorized to execute and file such articles by a resolution duly adopted
19 at a meeting of the cooperative corporation duly called and held as
20 provided in section 9 of this chapter. If by any such amendment to
21 articles of incorporation, the territory proposed to be served by the
22 cooperative corporation is to be increased or decreased, the articles of
23 amendment, together with a petition executed by the ~~president, or vice~~
24 ~~president, and by the secretary or the assistant secretary~~ **appropriate**
25 **officers** of the cooperative corporation and praying for the permission
26 of the commission shall be submitted to the commission. Thereupon,
27 the commission shall set said petition for public hearing and shall give
28 notice of the time and place thereof one (1) time in at least one (1)
29 newspaper published in each of the counties in which lies any of the
30 territory proposed to be added or omitted by such amendment, which
31 publication shall be at least ten (10) days before such hearing. The cost
32 of publication shall be paid by the petitioner when filing such petition.
33 Also written notice of the time and place of such hearing shall be
34 mailed to each telephone company operating in contiguous territory in
35 the manner provided in section 5 of this chapter. Any interested person
36 may appear, personally or by attorney, at such hearing and aid or
37 oppose the prayer of the petition. After such hearing, the commission
38 shall grant or deny the petition and make its order accordingly. No
39 amendment increasing or decreasing the territory to be served by such
40 cooperative corporation shall be filed in the office of the secretary of
41 state or of any county recorder unless there be attached thereto a
42 certified copy of an order of the commission consenting to such

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1 increase or decrease. Such articles shall be filed in the same places as
 2 the original articles of incorporation and thereupon the amendment
 3 shall be deemed to have been effected.

4 SECTION 5. IC 8-1-17-24 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 24. A cooperative
 6 corporation formed hereunder may change the location of its principal
 7 office by filing in the office of the secretary of state a certificate
 8 reciting such change of principal office and setting forth the resolution
 9 by its board of directors authorizing such change and stating the time
 10 and place of its adoption, which certificate shall be executed and
 11 acknowledged by the **appropriate officers of the cooperative**
 12 **corporation's president or vice-president corporation** with the
 13 corporate seal attached and attested by the ~~secretary or assistant~~
 14 ~~secretary:~~ **appropriate officer of the cooperative corporation.**

15 SECTION 6. IC 8-1-17-25 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 25. Any cooperative
 17 corporation may dissolve by filing in the office of the secretary of state
 18 articles of dissolution which shall be entitled and endorsed "Articles of
 19 Dissolution of _____" (the blank space being filled in with the name
 20 of the cooperative corporation) and shall state:

21 (a) The name of the cooperative corporation, and if such
 22 cooperative corporation is a corporation resulting from the
 23 consolidation as provided in this chapter, the names of the
 24 original cooperative corporations.

25 (b) The date of filing of the articles of incorporation in the office
 26 of secretary of state and, if such cooperative corporation is a
 27 corporation resulting from a consolidation as provided in this
 28 chapter, the dates on which the articles of incorporation of the
 29 original cooperative corporations were filed in the office of
 30 secretary of state.

31 (c) That the cooperative corporation elects to dissolve.

32 (d) The name and post office address of each of its directors, and
 33 the name, title, and post office address of each of its officers.

34 Such articles shall be subscribed and acknowledged by the ~~president or~~
 35 ~~a vice president and the secretary or an assistant secretary;~~ **appropriate**
 36 **officers of the cooperative corporation** who shall make and annex an
 37 affidavit stating that they have been authorized to execute and file such
 38 articles by a resolution duly adopted by the members of the cooperative
 39 corporation at a meeting thereof duly called and held as provided in
 40 section 9 of this chapter. Articles of dissolution or a certified copy or
 41 copies thereof shall be filed in the same places as original articles of
 42 incorporation, and thereupon the cooperative corporation shall be



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1 deemed to be dissolved. Such cooperative corporation shall continue
 2 for the purpose of paying, satisfying, and discharging any existing
 3 liabilities or obligations and collecting or liquidating its assets, and
 4 doing all other acts required to adjust and wind up its business affairs,
 5 and may sue and be sued in its corporate name. Any assets remaining
 6 after all liabilities and obligations of the cooperative corporation have
 7 been satisfied and discharged shall be refunded pro rata to the patrons,
 8 their assignees, personal representatives, heirs, or legatees, who shall
 9 have paid for telephone service rendered by the cooperative
 10 corporation, within a five (5) year period next preceding such
 11 dissolution. Any assets not so refunded within a two (2) year period
 12 after such dissolution is completed shall pass to and become the
 13 property of the state of Indiana.

14 SECTION 7. IC 36-8-20 IS ADDED TO THE INDIANA CODE AS
 15 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 16 1, 1999]:

17 **Chapter 20. Universal 911 Emergency Telephone Number**

18 **Sec. 1. This chapter applies to the state and all units.**

19 **Sec. 2. The telephone number 911 is designated as the universal**
 20 **emergency telephone number for reporting an emergency and**
 21 **requesting assistance.**

22 **Sec. 3. A communication system that is:**

23 **(1) available to members of the public as a means to report an**
 24 **emergency and to request assistance; and**

25 **(2) established or operated by the state or a unit;**

26 **must use 911 as the exclusive universal emergency telephone**
 27 **number for that communication system.**

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COMMITTEE REPORT

Mr. President: The Senate Committee on Commerce and Consumer Affairs, to which was referred Senate Bill No. 286, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 8-1-17-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. At the time the commission approves the articles of incorporation of any cooperative corporation, it shall issue to it, and place on file a duplicate of, a certificate of public convenience and necessity accurately describing the territory within which such cooperative corporation shall be authorized to operate. Thereafter, such territory may be changed by a new certificate issued and filed by the commission:

- (1) to harmonize with the result of proceedings pursuant to section 21(c) of this chapter, or any other statute empowering the commission to determine the territory within which any telephone company or cooperative may operate; or
- (2) to harmonize with findings made by the commission upon petition for change of territory signed by the ~~president and secretary~~ **appropriate officers** of the cooperative corporation, accompanied by a certified copy of a resolution authorizing the same duly adopted by its board of directors and also by a map showing clearly both the old and the proposed new territory and filed with the commission.

Such findings as to a local cooperative corporation shall be made only after the commission ascertains whether such petition proposed a change in such territory as will affect territory being served by any other cooperative corporation or any telephone company.

SECTION 2. IC 8-1-17-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) Each cooperative corporation formed under this chapter shall have a board of directors, which board shall constitute the governing body of the cooperative corporation. The directors of a local cooperative corporation must be members of the same and, except as named in its articles of incorporation, directors of any cooperative corporation shall be elected by its members.

(b) Unless the bylaws of the cooperative corporation provide

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otherwise, such directors shall be elected annually. The bylaws may provide that the directors may hold office for any stated period not exceeding three (3) years, and be so elected that the terms of only part of such directors shall expire at any one (1) time and that only enough directors to succeed those whose terms are about to expire need be elected in any year.

(c) The bylaws may provide that the area in which the members of the cooperative corporation reside shall be apportioned into districts and prescribe the procedure by which the members residing in any one (1) district may nominate a director.

(d) The bylaws may specify a fair remuneration for the time actually spent by its officers, directors, and members of its executive committee in the performance of their duties as such and provide that the same be paid them respectively. The officers, directors, and members of the executive committee shall be entitled to reimbursement for expenses incurred by them in the performance of their duties whether or not the bylaws provide that they be remunerated for their time spent in such performance.

(e) The board shall annually **designate and** elect a ~~president, a vice president, a secretary, and a treasurer. The president and vice president shall be elected from the members of the board of directors. those officers it considers necessary.~~

SECTION 3. IC 8-1-17-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. (a) A cooperative corporation may issue to its members certificates of membership and each member shall be entitled to only one (1) vote on each question or election at any regular or special meetings of the cooperative corporation.

(b) Meetings of members may be held at such place as may be provided in the bylaws. An annual meeting of the members shall be held at such time as may be provided by the bylaws. Special meetings may be called ~~by the president;~~ by the board of directors, by a petition signed by not less than five percent (5%) of all the members, or by such other officers or persons as may be provided in the articles of incorporation or by the bylaws.

(c) Written or printed notice stating the place, day, and hour of the meeting of members, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than thirty (30) days before the date of the meeting, either personally or by mail, by or at the direction of the ~~president or the secretary; or the~~ officers or persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the

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United States mails in a sealed envelope addressed to the member at his address as it appears on the records of the cooperative corporation, with postage prepaid. Notice of meetings of members may be waived in writing.

(d) Unless otherwise provided in the articles of incorporation, two percent (2%) of all the members of the cooperative corporation present in person at any meeting of members, of which meeting notice shall have been given as provided in the foregoing subdivision (c) of this section, shall constitute a quorum for the transaction of business at such meeting.

(e) A majority vote of those members who are present in person at any regular meeting, or at any special meeting of the members called for that purpose, shall be necessary for the taking of any action, adoption of any resolution, or the election of any officers, or otherwise, as the case may be.

SECTION 4. IC 8-1-17-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 23. (a) A cooperative corporation may amend its articles of incorporation to change its corporate name, to increase or reduce the number of its directors, or change any other provisions therein; provided, that any change of location of the principal office may be effected in the manner set forth in section 24 of this chapter, and further provided that no cooperative corporation shall amend its articles of incorporation to embody therein any purpose, power, or provision which would not be authorized if its original articles of incorporation, including such additional or changed purpose, power, or provision, were offered for filing at the time articles under this section are offered. Such amendment may be accomplished by filing articles of amendment which shall be entitled and endorsed "Articles of Amendment of _____" (the blank space being filled in with the name of the cooperative corporation) and state:

- (1) The name of the cooperative corporation, and if it has been changed, the name under which it was originally incorporated.
- (2) The date of filing the articles of incorporation in each public office where filed.
- (3) Whether the statement of counties within which its operations are to be conducted is to be changed, and if so the new statement of such counties.
- (4) The **president or vice president officer** executing such articles of amendment shall make and annex thereto an affidavit stating that the provisions of this section in respect to the amendment set forth in such articles were complied with.

(b) Such articles shall be subscribed in the name of the cooperative

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corporation by the ~~president or vice president, and by the secretary or the assistant secretary~~; **appropriate officers of the corporation** who shall make and annex an affidavit stating that they have been authorized to execute and file such articles by a resolution duly adopted at a meeting of the cooperative corporation duly called and held as provided in section 9 of this chapter. If by any such amendment to articles of incorporation, the territory proposed to be served by the cooperative corporation is to be increased or decreased, the articles of amendment, together with a petition executed by the ~~president, or vice president, and by the secretary or the assistant secretary~~ **appropriate officers** of the cooperative corporation and praying for the permission of the commission shall be submitted to the commission. Thereupon, the commission shall set said petition for public hearing and shall give notice of the time and place thereof one (1) time in at least one (1) newspaper published in each of the counties in which lies any of the territory proposed to be added or omitted by such amendment, which publication shall be at least ten (10) days before such hearing. The cost of publication shall be paid by the petitioner when filing such petition. Also written notice of the time and place of such hearing shall be mailed to each telephone company operating in contiguous territory in the manner provided in section 5 of this chapter. Any interested person may appear, personally or by attorney, at such hearing and aid or oppose the prayer of the petition. After such hearing, the commission shall grant or deny the petition and make its order accordingly. No amendment increasing or decreasing the territory to be served by such cooperative corporation shall be filed in the office of the secretary of state or of any county recorder unless there be attached thereto a certified copy of an order of the commission consenting to such increase or decrease. Such articles shall be filed in the same places as the original articles of incorporation and thereupon the amendment shall be deemed to have been effected.

SECTION 5. IC 8-1-17-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 24. A cooperative corporation formed hereunder may change the location of its principal office by filing in the office of the secretary of state a certificate reciting such change of principal office and setting forth the resolution by its board of directors authorizing such change and stating the time and place of its adoption, which certificate shall be executed and acknowledged by the **appropriate officers of the cooperative corporation's president or vice-president corporation** with the corporate seal attached and attested by the ~~secretary or assistant secretary~~; **appropriate officer of the cooperative corporation.**

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SECTION 6. IC 8-1-17-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 25. Any cooperative corporation may dissolve by filing in the office of the secretary of state articles of dissolution which shall be entitled and endorsed "Articles of Dissolution of _____" (the blank space being filled in with the name of the cooperative corporation) and shall state:

- (a) The name of the cooperative corporation, and if such cooperative corporation is a corporation resulting from the consolidation as provided in this chapter, the names of the original cooperative corporations.
- (b) The date of filing of the articles of incorporation in the office of secretary of state and, if such cooperative corporation is a corporation resulting from a consolidation as provided in this chapter, the dates on which the articles of incorporation of the original cooperative corporations were filed in the office of secretary of state.
- (c) That the cooperative corporation elects to dissolve.
- (d) The name and post office address of each of its directors, and the name, title, and post office address of each of its officers.

Such articles shall be subscribed and acknowledged by the ~~president or a vice president and the secretary or an assistant secretary~~; **appropriate officers of the cooperative corporation** who shall make and annex an affidavit stating that they have been authorized to execute and file such articles by a resolution duly adopted by the members of the cooperative corporation at a meeting thereof duly called and held as provided in section 9 of this chapter. Articles of dissolution or a certified copy or copies thereof shall be filed in the same places as original articles of incorporation, and thereupon the cooperative corporation shall be deemed to be dissolved. Such cooperative corporation shall continue for the purpose of paying, satisfying, and discharging any existing liabilities or obligations and collecting or liquidating its assets, and doing all other acts required to adjust and wind up its business affairs, and may sue and be sued in its corporate name. Any assets remaining after all liabilities and obligations of the cooperative corporation have been satisfied and discharged shall be refunded pro rata to the patrons, their assignees, personal representatives, heirs, or legatees, who shall have paid for telephone service rendered by the cooperative corporation, within a five (5) year period next preceding such dissolution. Any assets not so refunded within a two (2) year period after such dissolution is completed shall pass to and become the property of the state of Indiana."

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Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.

(Reference is to SB 286 as introduced.)

MILLS, Chairperson

Committee Vote: Yeas 10, Nays 0.

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