

Senate Bill 256

By: Senator Cowsert of the 46th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 4 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated,  
2 relating to electric membership corporations and foreign electric cooperatives, so as to  
3 require an electric membership corporation to disclose certain acquisitions and other  
4 information to its members within a certain time frame; to provide for related matters; to  
5 repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 4 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to  
9 electric membership corporations and foreign electric cooperatives, is amended in Part 11,  
10 relating to sale and other disposition of corporate assets, by adding a new Code section to  
11 read as follows:

12 "46-3-402.

13 (a) An electric membership corporation shall timely disclose to its members the direct  
14 acquisition of all or part of another entity via purchasing an ownership interest in such  
15 entity or an indirect acquisition through the purchasing of its assets. Timely disclosure

16 shall mean within six months of the acquisition. Such disclosure shall include, at a  
17 minimum:

18 (1) A description of the asset or interest acquired;

19 (2) The date of acquisition;

20 (3) The consideration given for such acquisition;

21 (4) The identification of any assets pledged by the electric membership corporation to  
22 secure a loan or other funding that forms all or a portion of the consideration pledged to  
23 secure such loan or other funding;

24 (5) The total amount of the electric membership corporation's assets, debts, and  
25 obligations and those of its gas subsidiaries;

26 (6) The total amount of the electric membership corporation's electric generation and  
27 transmission assets as defined by the Federal Energy Regulatory Commission Uniform  
28 System of Accounts; and

29 (7) The percentage of the electric membership corporation's net utility plant used for the  
30 purposes described in subsection (b) of Code Section 46-4-164.

31 (b) An electric membership corporation shall disclose to its members the annual cost of  
32 gas in aggregate that it sells. Such disclosure shall be made on an annual basis."

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## **SECTION 2.**

34 All laws and parts of laws in conflict with this Act are repealed.