

SENATE BILL NO. 2309

Introduced by

Senators Tollefson, Dever, Mutch, Schobinger, Urlacher

Representative Bellew

1 A BILL for an Act to amend and reenact section 10-13-06 of the North Dakota Century Code,
2 relating to the distribution of electric cooperative capital credits.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 10-13-06 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **10-13-06. Use of revenue - Dividends - Capital credits payable upon death of**
7 **member.** The revenues of an electric cooperative ~~shall~~ must be devoted first to the payment of
8 operating and maintenance expenses and the principal and interest on outstanding obligations,
9 and thereafter, to ~~such~~ the reserves for improvement, new construction, depreciation, and
10 contingencies as the board of directors from time to time may prescribe. Revenues not
11 required for the purposes set forth in this section ~~shall~~ must be returned from time to time to the
12 members of the cooperative in cash, in abatement of current charges for electrical energy, or
13 otherwise as the board of directors may determine on a pro rata basis according to the amount
14 of business done with each during the period. ~~Such~~ The return may be made by way of general
15 rate reduction to the members if the board of directors so elects. Any unpaid capital credits
16 accrue interest at the rate of three percent per annum compounded annually until the capital
17 credits are paid to the member, the member's estate, or the member's beneficiaries. The
18 cooperative shall pay off any capital credits in full upon the death of a member.