

Senate File 578 - Introduced

SENATE FILE 578
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SF 169)

A BILL FOR

1 An Act relating to record access by members of certain special
2 districts and associations providing utility service.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **357A.26 Financial records access.**

2 A rural water district or rural water association incorporated
3 under this chapter or chapter 504 shall, upon reasonable request
4 by any member of the district or association, provide to the
5 member the district's or association's most recent biennial
6 report and any requested financial information, including the
7 district's or association's budget and balance sheet. The
8 requested information shall be delivered to the member no later
9 than thirty days after the request.

10 Sec. 2. NEW SECTION. **498.38 Financial records access.**

11 An association that provides utility service to its members
12 shall, upon reasonable request by any member of the association,
13 provide to the member the association's most recent biennial
14 report and any requested financial information, including
15 the association's budget and balance sheet. The requested
16 information shall be delivered to the member no later than thirty
17 days after the request.

18 Sec. 3. NEW SECTION. **499.81 Financial records access.**

19 An association that provides utility service to its members
20 shall, upon reasonable request by any member of the association,
21 provide to the member the association's most recent biennial
22 report and any requested financial information, including
23 the association's budget and balance sheet. The requested
24 information shall be delivered to the member no later than thirty
25 days after the request.

26 EXPLANATION

27 The inclusion of this explanation does not constitute agreement with
28 the explanation's substance by the members of the general assembly.

29 This bill provides that if a rural water district, rural water
30 association, nonprofit cooperative association, or cooperative
31 association provides utility service to members, the most recent
32 biennial report and financial information, including the budget
33 and balance sheet, for the rural water district, rural water
34 association, nonprofit cooperative association, or cooperative
35 association must be made available to a member within 30 days of

1 a reasonable request by the member.

2 A rural water district means a rural water district
3 incorporated and organized pursuant to the provisions of Code
4 chapter 357A.

5 A rural water association means a rural water association
6 organized and incorporated as a cooperative association under
7 Code chapter 499 or as a nonprofit corporation under Code chapter
8 504.

9 A nonprofit cooperative association means a corporate body
10 composed of actual producers or consumers of the given commodity
11 handled by the association, whose business is conducted for
12 the mutual benefit of its members and not for the profit of
13 stockholders, and for which control is vested in its members upon
14 the basis of one vote to each member.

15 A cooperative association is one that deals with or functions
16 for its member and that distributes its net earnings among its
17 members in proportion to their dealings with it, except for
18 limited dividends or other items permitted in Code chapter 499,
19 and in which each voting member has one vote and no more.