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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. **4268**

03/09/2020 Authored by Ecklund, Lueck, Heintzeman, Lislegard, Sundin and others

The bill was read for the first time and referred to the Greater Minnesota Jobs and Economic Development Finance Division

- 1.1 A bill for an act
- 1.2 relating to rural broadband; allowing existing easements held by rural electric
- 1.3 cooperatives to be used to provide broadband service; amending Minnesota Statutes
- 1.4 2018, section 308A.201, subdivision 12.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2018, section 308A.201, subdivision 12, is amended to
- 1.7 read:
- 1.8 Subd. 12. **Electric cooperative powers.** (a) An electric cooperative has the power and
- 1.9 authority to:
- 1.10 (1) make loans to its members;
- 1.11 (2) prerefund debt;
- 1.12 (3) obtain funds through negotiated financing or public sale;
- 1.13 (4) borrow money and issue its bonds, debentures, notes, or other evidence of
- 1.14 indebtedness;
- 1.15 (5) mortgage, pledge, or otherwise hypothecate its assets as may be necessary;
- 1.16 (6) invest its resources;
- 1.17 (7) deposit money in state and national banks and trust companies authorized to receive
- 1.18 deposits; and
- 1.19 (8) exercise all other powers and authorities granted to cooperatives.
- 1.20 (b) A cooperative organized to provide rural electric power may enter agreements and
- 1.21 contracts with other electric power cooperatives or with a cooperative constituted of electric

power cooperatives to share losses and risk of losses to their transmission and distribution lines, transformers, substations, and related appurtenances from storm, sleet, hail, tornado, cyclone, hurricane, or windstorm. An agreement or contract or a cooperative formed to share losses under this paragraph is not subject to the laws of this state relating to insurance and insurance companies.

(c) A cooperative organized to provide rural electric power may, on behalf of itself, its subsidiary, or a business partner, provide broadband service by using an easement owned, held, or used by the electric cooperative. An existing easement does not limit the type, size, or amount of broadband infrastructure that may be used to provide broadband service, nor is an electric cooperative required to obtain additional easements or pay additional compensation to a property owner who is a party to an existing easement agreement in order to provide broadband service.

(d) For the purposes of paragraph (c):

(1) "broadband service" means any service that provides advanced telecommunications capability and Internet access; and

(2) "broadband infrastructure" has the meaning given in section 116J.394.

EFFECTIVE DATE. This section is effective the day following final enactment.