

IN THE SENATE

SENATE BILL NO. 1276

BY RESOURCES AND ENVIRONMENT COMMITTEE

AN ACT

RELATING TO IRRIGATION AND CANAL COMPANIES; AMENDING SECTION 42-2401, IDAHO CODE, TO REVISE PROVISIONS REGARDING NOTICE AND TO MAKE TECHNICAL CORRECTIONS; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 42-2401, Idaho Code, be, and the same is hereby amended to read as follows:

42-2401. ADDITIONAL RIGHTS AND POWERS GRANTED IRRIGATION OR CANAL COMPANIES. Any corporation heretofore organized or any corporation that shall hereafter be organized for the operation, control or management of an irrigation project or canal system, or for the purpose of furnishing water to its shareholders and not for profit or hire, shall have and exercise all the rights, powers, and privileges in addition to those already granted and existing.

(1-) To divide into districts the territory included in such project or system and to change from time to time the number and boundaries of such districts;

(2-) To elect its directors from such districts by a vote in which all the stockholders of the corporation may participate, determine the number of directors to be elected from each district, fix their terms of office and prescribe the times and manner of choosing their successors;

(3-) To hold regular annual meetings at which the stockholders who are represented in person or by proxy shall constitute a quorum for the transaction of business and shall have the power by a majority vote of the stock so represented to elect directors and transact any other business of the corporation proper to be done;

(4-) To provide for the appointment of an executive committee from the board of directors to be composed of not less than three (3) thereof. Such committee shall have all the powers, rights and privileges of the board of directors and may meet at such times and places as the bylaws may provide or the board of directors may determine, and the acts of such committee shall in all matters be valid as against the corporation;

(5-) To provide by amendment to its articles of incorporation or by adopting new articles of incorporation for the treatment and eradication of noxious weeds growing on the lands within the boundaries of said irrigation project and adjacent thereto and to drain excess water from said lands;

(6-) To change or amend its articles of incorporation or bylaws or adopt new articles or new bylaws, by a two-thirds (2/3) vote of the stock represented, at any regular meeting of the stockholders or at any special meeting duly called for that purpose in accordance with the provisions of sections 30-310 and 30-311, Idaho Code; provided that any proposed changes in the articles of incorporation or bylaws or any new articles of incorporation or

1 bylaws shall be either proposed at a meeting of the stockholders or approved
 2 by at least one-third (1/3) of the board of directors; ~~and before.~~ Before
 3 being finally adopted, the board of directors shall cause such proposed ar-
 4 ticles, bylaws, or changes therein (or a summary of them) to be published in
 5 a newspaper of general circulation published in the county in which the main
 6 office of the canal company is situated, for at least once each week for four
 7 (4) weeks prior to the meeting at which such articles, bylaws, or changes
 8 therein are finally adopted and said notice shall state the time and place
 9 at which the vote on final adoption will be taken. notice, including such
 10 proposed articles, bylaws, or changes therein, or a summary of them, may be
 11 given by an advertisement thereof for two (2) weeks in a newspaper of general
 12 circulation within the canal company service area and the county in which the
 13 principal place of business of the corporation is located or which notice may
 14 be given by written notice, placed in the United States mail, postage pre-
 15 paid, and addressed to the stockholder at his last known post office address;

16 (7-) To prohibit any officer, director, manager or employee of the
 17 corporation from acting as proxy for any other person at any meeting of the
 18 stockholders-;

19 (8-) To prescribe by its articles of incorporation or bylaws the manner
 20 in which the powers given by law shall be exercised-;

21 (9-) To provide by amendment to its articles of incorporation or by
 22 adoption of new articles of incorporation that the directors be divided into
 23 two (2) or three (3) classes, each class to be as nearly equal in number as
 24 possible; the term of office of directors of the first class to expire at the
 25 first annual meeting of directors after their election, that of the second
 26 class to expire at the second annual meeting after their election, and that
 27 of the third class, if any, to expire at the third annual meeting after their
 28 election. At each annual meeting after such classification, the number of
 29 directors equal to the number of the class whose term expires at the time
 30 of such meeting shall be elected to hold office until the second succeeding
 31 annual meeting, if there be two (2) classes, or until the third succeeding
 32 annual meeting, if there be three (3) classes. Immediately after the first
 33 election following such amendment or adoption as ~~herein~~ provided in this
 34 subsection, each such class shall be selected by lot by the elected directors
 35 at their organizational meeting-; and

36 (10-) To provide for a notice of a meeting of the stockholders or the
 37 election of directors ~~which notice may be given~~ by an advertisement thereof
 38 for two (2) weeks in a newspaper of general circulation within the canal com-
 39 pany service area and the county in which the principal place of business
 40 of the corporation is located or ~~which notice may be given~~ by written no-
 41 tice, placed in the United States mail, postage prepaid, and addressed to the
 42 stockholder at his last known post office address.

43 SECTION 2. An emergency existing therefor, which emergency is hereby
 44 declared to exist, this act shall be in full force and effect on and after
 45 July 1, 2022.