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**Act No. 99 (S.199). An act relating to mergers and governance of communications union districts**

**Subjects: Governance; communications union districts; communications; business practices; mergers**

This act concerns the governance and business practices of communications union districts (CUDs). First, it allows CUDs to follow new merger procedures specific to them rather than the merger procedures that otherwise apply to merging municipalities under Title 24. The primary difference between the two procedures concerns voting. Under the new procedures, the governing board of each merging CUD may approve the merger, rather than a majority of the voters in each municipality within each of the merging districts. The preliminary plan of merger must be approved by three-quarters vote of a quorum of the board of each of the merging districts. The final merger plan must be approved by two-thirds vote of a quorum of the board of each of the merging districts.

Second, the act provides a CUD greater flexibility regarding when it must hold its annual organizational meeting. It allows the specific date to be established in the district's bylaws, rather than requiring it to be held on the second Tuesday in May, as currently specified in statute. In addition, a CUD has greater flexibility to define its fiscal year and to determine a date upon which its annual report must be approved. The act allows a district to address these items in its bylaws rather than follow the dates specified in statute.

Third, the act permits the treasurer to delegate the treasurer's statutory duties; however the act further specifies that the treasurer must "retain accountability and oversight authority" regarding any delegated duties.

Fourth, the act defines "confidential business information" with respect to a CUD for purposes of determining what information is exempt from disclosure under the Public Records Act and provides a presumption of confidentiality for such information. More specifically, "confidential business information" includes the operational records of any internet service provider under contract with a district for the construction of a broadband network or to provide broadband service, or both, as well as detailed information about the district's deployment plans if public disclosure could put the district at a competitive disadvantage. The act explicitly states that the exemption and presumption specified in act do not apply to district governance records and information.

Effective Date: May 6, 2024