September 26, 1938.

Mr. Vincent B. Nicholson
General Counsel
Rural Electrification Administration
2000 Massachusetts Avenue
Washington, D. C.

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ARIZONA ATTORNEY GENERAL

Dear Sir:

Your letter addressed to this office has been handed me for answer, in which you ask the opinion of this office on the following question:

> "We would appreciate an opinion from you as to whether a cooperative association serving electrical energy to its members only, may be organized under the particular provisions of the corporation act outlined above, being Section 576, A.C.A. 1928, and 602, Session Laws 1935, Chapter 43, Arizona Supplement 1936."

After a careful study of the question involved in your request for an opinion we feel that the sections referred to in your request are sufficiently broad to permit the incorporation of a non-profit cooperative association under their authority. Chapter 81, Article 3, R.C.A. 1928, provides for the formation of assessment districts for the purpose of securing power. This is the formation of an electrical district for the purpose of securing power for use primarily for the pumping of water for irrigation and provides for the formation of the district permitting an entire body of land to be organized into an assessment district where at least one-third of the member resident freeholders within the district sign a petition to organize as such district. It also requires that the petition must be filed with the Board of Supervisors of the county in which the proposed district is located.

38-164-b

We do not believe that Article 3 in any way would affect the organization of a non-profit cooperative association under Section 602, supra, of the incorporating laws of the State of Arizona.

Yours very truly,

JOE CONWAY
Attorney General

CHARLES BERNSTEIN
Assistant Attorney General

EARL ANDERSON
Special Assistant
Attorney General

38-164b