

### **279.360 General powers of rural telephone cooperative corporations.**

Each corporation organized under the provisions of KRS 279.310 to 279.600 shall have power:

- (1) To furnish, improve and expand telephone service in rural areas to its members, to governmental agencies and political subdivisions, and to other persons not in excess of ten percent (10%) of the number of its members, provided, however, that, without regard to said ten percent (10%) limitation, telephone service may be made available by a cooperative through interconnection of facilities to any number of subscribers of other telephone systems, and through pay stations to any number of users; and provided, further, that a cooperative which acquires existing telephone facilities in rural areas may continue service to persons, not in excess of forty percent (40%) of the number of its members, who are already receiving service from such facilities, without requiring such persons to become members, but such persons may become members upon such terms as may be prescribed in the bylaws; and provided, further, that no cooperative shall (a) construct or operate any line, facility or system in any rural area being furnished telephone service by any telephone company or other cooperative unless the Public Service Commission shall determine, after hearing on reasonable notice to all interested parties, that any such telephone company or other cooperative is unwilling or unable to furnish reasonably adequate telephone service in such area, or (b) furnish any telephone service in any area proposed to be served by any telephone company, which may be found to be ready, willing and able to serve, within such period of time as may, after hearing, be determined to be reasonable by the Public Service Commission;
- (2) To construct, purchase, lease as lessee, or otherwise acquire, and to improve, expand, install, equip, maintain, and operate, and to sell, assign, convey, lease as lessor, mortgage, pledge, or otherwise dispose of or encumber, telephone lines, facilities or systems, lands, buildings, structures, plants and equipment, exchanges, and any other real or personal property, tangible or intangible, which shall be deemed necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized; provided, that no cooperative shall construct, purchase, lease as lessee, take, receive, or otherwise acquire, improve, expand, install, equip, maintain, or operate any telephone lines, facilities or system, lands, buildings, structures, plants and equipment, exchanges, or any other real or personal property, tangible or intangible, within the boundaries of any incorporated or unincorporated city, town, village, or borough within this state having a population in excess of one thousand five hundred (1,500) inhabitants, unless said procedures or any of them are determined by the administrator of the rural electrification administration to be necessary in order to furnish or improve telephone service in rural areas, and unless said determination by the administrator of the rural electrification administration, after proper hearing on reasonable notice to all interested parties, be approved by the Public Service Commission of the Commonwealth of Kentucky. In case of such a determination by the administrator of the rural electrification administration as aforesaid with approval by the Kentucky Public Service Commission, nothing contained in this section or elsewhere provided in KRS 279.310 to 279.600 shall deprive any corporation organized under KRS

279.310 to 279.600 or foreign corporation doing business in this state pursuant to KRS 279.310 to 279.600, of the power to improve, expand, construct, acquire and operate telephone lines, facilities, or systems without regard to their geographical location;

- (3) To connect and interconnect its telephone lines, facilities or systems with other telephone lines, facilities or systems;
- (4) To make its facilities available to persons furnishing telephone service within or without this state;
- (5) To purchase, lease as lessee, or otherwise acquire, and to use, and exercise and to sell, assign, convey, mortgage, pledge or otherwise dispose of or encumber, franchises, rights, privileges, licenses and easements;
- (6) To issue membership certificates and nonvoting shares of stock as hereinafter provided;
- (7) To borrow money and otherwise contract indebtedness, and to issue or guarantee notes, bonds, and other evidences of indebtedness, and to secure the payment thereof by mortgage, pledge, or deed of trust of, or any other encumbrance upon, any or all of its then owned or after-acquired real or personal property, assets, franchises, or revenues;
- (8) To construct, maintain and operate telephone lines along, upon, under and across publicly owned lands and public thoroughfares, including, without limitation, all roads, highways, streets, alleys, bridges and causeways;
- (9) To exercise the power of eminent domain in the manner provided by the laws of this state for the exercise of such power by other corporations constructing or operating telephone lines, facilities or systems;
- (10) To become a member of other cooperatives or corporations or to own stock therein;
- (11) To conduct its business and exercise its powers within or without this state;
- (12) To adopt, amend and repeal bylaws;
- (13) To make any and all contracts necessary, convenient or appropriate for the full exercise of the powers herein granted;
- (14) To exercise all other powers authorized by KRS Chapter 271B; and
- (15) To do and perform any other lawful acts and things, and to have and exercise any other powers which may be necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized.

**Effective:** July 1, 1972

**History:** Amended 1972 Ky. Acts ch. 274, sec. 156, effective July 1, 1972. --  
Created 1950 Ky. Acts ch. 147, sec. 6, effective March 25, 1950.