

Sponsor Statement for HB 418

Electronic Proxy Voting & Notification

An Act amending the Alaska Corporations Code as it relates to delivery of annual reports, notice of shareholders' meetings, proxy statements, and other information to shareholders, and providing for electronic proxy voting.

Updated: February 20, 2002
Contact: Representative Lisa Murkowski's office at (907) 465-4954

House Bill 418 conforms the Alaska Corporations Code to the laws of many other states that recognize the emergence of electronic media as an important means of communication. This bill provides shareholders of Alaska corporations the option of electronic proxy voting and electronic delivery of notice and meeting materials. Approximately 25 states already allow electronic proxy voting.

House Bill 418 also includes provisions that permit corporations to send one copy of an annual report and proxy materials to a single address where multiple shareholders reside, known as householding, and to stop sending corporate materials to last-known addresses at which mail is undeliverable. These measures represent significant improvements in efficiency and communications with shareholders.

Electronic proxy voting will result in cost savings and added convenience for Alaska corporations. Reduction of paper, printing, and postage costs will be substantial—especially for larger corporations. Those electing to implement electronic voting will establish secure processes in which a PIN is issued to each shareholder. Electronic delivery would be at the option of the shareholder. Shareholders will continue to have the option of conventional paper or in-person voting.