



## Memo

To: CIFA Members

From: CIFA Board of Directors

Date: November 4, 2024

Subject: Proposed Amended Bylaws

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## Purpose

The purpose of this memo is to brief the membership on proposed amendments to the bylaws, which will be brought up for a vote at CIFA's Annual Meeting on Tuesday, November 19, 2024.

## Background

The bylaws were last amended seven years ago in October 2017.

## Goals of Revisions

Proposed amendments are designed to provide clarity to the governing structure for CIFA. While the number of changes is significant, provisions primarily streamline and simplify existing policy, rather than change policy. The Policy changes are described below.

## Policy Provisions

<b>Membership Classes</b>	
The proposed amendments streamline membership classes and clarify voting privileges and processes.	
<b>Current Policy</b>	<b>Proposed Policy</b>
<ul style="list-style-type: none"><li>• Four membership classes: Public (SRFs, plus Washington, D.C. and territories), Associate (municipal and other financing agencies), Affiliate (businesses) and International Affiliate (international business).</li><li>• Only Public Members are eligible to vote.</li></ul>	<ul style="list-style-type: none"><li>• Streamlines from four to two classes based on eligibility to vote.</li><li>• Clarifies that voting members are the SRFs, not all entities funded by the SRF capitalization grant.</li><li>• Clarifies that municipal financing authorities are only eligible under one membership class.</li></ul>

	<ul style="list-style-type: none"> <li>• Clarifies that membership is based on states and entities, not individuals, and the benefits of membership</li> <li>• Articulates the rights of voting members.</li> <li>• Clarifies how voting works.</li> </ul>
Current Language	Proposed Language
<ol style="list-style-type: none"> <li>1. <b>Public Members</b> shall be public entities that are empowered within each state to award or facilitate State Revolving Fund financial assistance. Membership as a Public Member is open to public agencies, authorities, or other bodies, regardless of how organized under state law, within the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or any other possession or trust territory of the United States.</li> <li>2. <b>Associate Members</b> shall be other public financing agencies and authorities which provide financial assistance for infrastructure needs.</li> <li>3. <b>Affiliate Members</b> shall be individuals or legal entities not eligible for membership as either Public Members or Associate Members, including underwriters, bond counsel, financial advisors, engineering consultants involved with infrastructure financing, and others</li> <li>4. <b>International Affiliate Members</b> shall be public financing authorities which are empowered within a country other than the United States and its possessions and trust territories to provide financial assistance for infrastructure needs, on a regional or national basis.</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Voting Members:</b> Voting members shall be state government agencies or programs that manage the Clean Water and Drinking Water State Revolving Funds (SRFs), either in part or entirely, within each state and Puerto Rico.</li> <li>2. <b>Non-Voting Members:</b> Non-Voting Members shall be all other entities determined eligible by the Board of Directors, including but not limited to territorial, tribal, regional and local government financing authorities and businesses that work with the SRFs.</li> </ol> <p><b>Voting Privileges</b>  Voting members shall have the right to vote on the election of Directors and Officers and other fundamental actions, including amendment of the Articles of Incorporation or Bylaws, merger, sale of all or substantially all of the assets, domestication, conversion or dissolution of the Council.</p> <p><b>Voting Qualifications</b></p> <ol style="list-style-type: none"> <li>1. Each State and Puerto Rico have one vote.</li> <li>2. Only dues paying agencies are eligible to cast a vote. In states with multiple dues-paying agencies or programs, the vote is divided proportionally.</li> <li>3. Voting members must select an authorized representative, annually, to cast votes. Voting Members may also select, annually, an authorized proxy.</li> </ol>

<b>Board of Directors</b>	
The proposed amendment aligns Board composition to new membership classes.	
<b>Current Policy</b>	<b>Proposed Policy</b>
<p>The Board is comprised of 17 Directors:</p> <ul style="list-style-type: none"> <li>• Fifteen (15) representatives of Public Members (five Officers and a Director from each of EPA's ten regions).</li> <li>• One (1) representative of Associate Members.</li> <li>• One (1) representative of Affiliate Members.</li> </ul>	<p>The Board is comprised of 17 Directors:</p> <ul style="list-style-type: none"> <li>• Fifteen (15) representatives of Voting Members (four Officers and a Director from each of EPA's ten regions).</li> <li>• Two (2) representatives of Non-Voting Members.</li> <li>• One (1) ex-officio member being the Immediate Past President</li> </ul>

<b>Nominating Committee</b>	
The proposed amendments streamline the composition of the committee.	
<b>Current Language</b>	<b>Proposed Language</b>
<p><u>Section 1. Nominating Committee.</u> The Immediate Past President will serve as Chair of the Nominating Committee that consists of four other Public Members who are either past Presidents or Board Members. The Committee shall prepare and forward to the Public Members, not less than fifteen days in advance of the Annual Meeting, a slate of nominees for Officers and Directors. The Nominating Committee shall solicit advice and recommendations from all classes of members. Before the election at the Annual Meeting, additional nominations from the floor shall be permitted.</p>	<p><u>Section 1. Nominating Committee.</u> The Nominating Committee shall be comprised of the Officers. The President shall serve as Chair. The Committee shall prepare and forward to the Voting Members a slate of nominees for Officers and Directors not less than fifteen (15) days in advance of the Annual Meeting.</p>