

HOUSE BILL REPORT

HB 2558

As Passed Legislature

Title: An act relating to the regulation by the utilities and transportation commission of securities issued by regulated utilities and transportation companies.

Brief Description: Changing provisions relating to regulation of securities issued by regulated utilities and transportation companies.

Sponsors: Representative Zellinsky; by request of Utilities & Transportation Commission.

Brief History:

Reported by House Committee on:

Financial Institutions & Insurance, January 31, 1994, DP;

Passed House, February 11, 1994, 95-0;

Amended by Senate;

House concurred;

Passed Legislature, March 7, 1994, 94-0.

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: Do pass. Signed by 14 members:
Representatives Zellinsky, Chair; Scott, Vice Chair; Mielke, Ranking Minority Member; Dyer, Assistant Ranking Minority Member; Anderson; Dorn; Grant; Kessler; Kremen; Lemmon; R. Meyers; Schmidt; Tate and L. Thomas.

Staff: Charlie Gavigan (786-7340).

Background: The Washington Utilities and Transportation Commission (UTC) regulates the provision of transportation and utility services by companies to the general public for compensation. Utility or transportation companies may issue stocks, bonds or other securities if the UTC approves the issuance. The company must apply to the UTC for approval to issue securities; the company may appeal a negative decision by the UTC. There are statutory requirements and limits on the issuance of securities by transportation or utilities companies.

Summary of Bill: A company that provides transportation or utility services to the public must file a notice with the Utilities and Transportation Commission (UTC) prior to issuing securities, but approval of the UTC is not required

for the issuance. The issuance of securities must comply with existing statutory requirements and limitations. A company may request that the UTC issue a written order that the company's securities issuance meets statutory requirements.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill removes the requirement that the UTC Commission hold hearings when transportation or utility companies issue securities; there are sufficient other protections for the public.

Testimony Against: None.

Witnesses: Tim Sweeney, Washington Utilities and Transportation Commission.