

HOUSE BILL REPORT

HB 2558

As Amended by Senate

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 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 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 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.

EFFECT OF SENATE AMENDMENT(S): The amendments: (1) retain the definition of "public service company"; (2) remove the requirement that a public service company must pre-file the creation of liens on the company's property; and (3) allow a public service company to request that the UTC issue a written order that the company's issuance meets specified 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.

VOTE ON FINAL PASSAGE:

Yeas 96; Excused 2

Excused: Representatives Cothorn, Riley