SENATE BILL REPORT

HB 2558

AS REPORTED BY COMMITTEE ON ENERGY & UTILITIES, FEBRUARY 22, 1994

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

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass as amended.
    Signed by Senators Sutherland, Chairman; Ludwig, Vice Chairman; Amondson, Hochstatter, McCaslin, Owen, Roach, Vognild, West and Williams.

Staff: David Danner (786-7784)

Hearing Dates: February 21, 1994; February 22, 1994

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:

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.

SUMMARY OF PROPOSED COMMITTEE AMENDMENT:

Unintended references are removed from the definitions section.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

This is a very small regulatory reform measure. The requirement for UTC approval of the issuance of securities is redundant to other securities regulations and practices. The bill would result in significant savings to the commission.

TESTIMONY AGAINST: None

TESTIFIED: Tim Sweeney, WUTC (pro); Dale Vincent, U.S. West (pro)