

SEC. 2. *And be it further enacted*, That this Act shall take effect ~~June 1, 1961~~. JANUARY 1, 1963.

Approved April 24, 1961.

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CHAPTER 277

(Senate Bill 309)

AN ACT to repeal and re-enact, with amendments, Section 65(a) of Article 78 of the Annotated Code of Maryland (1957 Edition), title "Public Service Commission Law", sub-title "Functions, Duties and Powers of the Commission", sub-heading "Financial Structure, Records and Reports of Public Service Companies", to authorize public service companies under the jurisdiction of the Public Service Commission of Maryland to issue stock dividends with consent of the Commission.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 65(a) of Article 78 of the Annotated Code of Maryland (1957 Edition), title "Public Service Commission Law", sub-title "Functions, Duties and Powers of the Commission", sub-heading "Financial Structure, Records and Reports of Public Service Companies", is hereby repealed and re-enacted, with amendments, to read as follows:

65.

(a). The Commission shall authorize the issuance by any public service company of stocks, bonds, securities, notes or other evidences of indebtedness, payable in whole or in part more than twelve months after the date of issuance, if, and only if, it finds that such issuance is reasonably required for ~~(I)~~ (i) the acquisition by the issuing company of property or ~~(II)~~ (ii) the construction, completion, extension or improvement of its facilities, or ~~(III)~~ (iii) the discharge or lawful refunding of its obligations, or ~~(IV)~~ (iv) the maintenance or improvement of service, or ~~(V)~~ (v) the reimbursement ~~of~~ OF moneys (not secured by or obtained from such issuance) expended for any of the purposes enumerated in items ~~(I)~~ (i) through ~~(III)~~ (iii) of this subsection, within five years next prior to the filing of an application with the Commission for such reimbursement, or ~~(VI)~~ (vi) such issuance may also be authorized by the Commission in its discretion, (1) for the purpose of making the aggregate capitalization of the company to conform to the value of its property or (2) for the payment of a dividend in shares of the company's own stock if the order of the Commission authorizing such issuance states that concurrently with such issuance the company will transfer from surplus to capital an amount to be determined by the Commission, but in no event less than the aggregate par value, or the capital value (if without par value), of the stock whose issuance is so authorized, and that a sum equal to the amount to be so transferred

EXPLANATION: *Italics indicate new matter added to existing law.*

[Brackets] indicate matter stricken from existing law.

CAPITALS indicate amendments to bill.

Strike out indicates matter stricken out of bill.