

Approved April 6, 2006.

CHAPTER 33

(Senate Bill 1107)

AN ACT concerning

Public Service Companies - Issuance and Holding of Capital Stock and Debt

FOR the purpose of providing that certain provisions of law do not prohibit a public service company from continuing to hold the capital stock of another public service company that it held on a certain date; providing that certain provisions of law do not apply to the issuance in a certain manner of stock, bonds, securities, notes, or other evidences of indebtedness by certain public service companies that operate, but are not incorporated, in Maryland on or before a certain date; providing that certain provisions of law do not prohibit a public service company from continuing to hold the capital stock of another public service company or a subsidiary or an affiliate of a public service company that it held on a certain date; making this Act an emergency measure; making this Act contingent on the taking effect of another Act; and generally relating to the issuance and holding of capital stock and debt by public service companies.

BY repealing and reenacting, with amendments,

Article - Public Utility Companies

Section 5-203 and 6-101

Annotated Code of Maryland

(1998 Volume and 2005 Supplement)

(As enacted by Chapter ____ (H.B. 1713) of the Acts of the General Assembly of 2006)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Public Utility Companies

5-203.

(a) (1) Subject to § 6-101 of this article, without prior authorization of the Commission, a public service company may not purchase, acquire, take, or hold any part of the capital stock of another public service company that operates in Maryland.

(2) THIS SUBSECTION DOES NOT PROHIBIT A PUBLIC SERVICE COMPANY FROM CONTINUING TO HOLD THE CAPITAL STOCK OF ANOTHER PUBLIC SERVICE COMPANY THAT IT HELD ON MARCH 29, 2006.

(b) (1) This subsection applies to corporations that operate in Maryland.