

[(2)] (3) Without prior authorization of the Commission, a public service company may not take, hold, or acquire any part of the capital stock of a public service company that is:

- (i) incorporated in Maryland; and
- (ii) of the same class as the acquiring company.

[(3)] (4) (i) Except as provided in subparagraph (ii) of this paragraph, a stock corporation may not take, hold, or acquire more than 10% of the total capital stock of a public service company incorporated in Maryland unless:

- 1. the stock is acquired as collateral security; and
- 2. the Commission approves the acquisition.

(ii) The Commission may authorize a public service company of the same class to take, hold, or acquire more than 10% of the total capital stock of a public service company incorporated in Maryland.

[(4)] (5) A public service company may not be a party to a violation of this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health and safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved February 3, 1999.

CHAPTER 2

(Senate Bill 65)

AN ACT concerning

Public Service Companies - Holding Companies

FOR the purpose of exempting the formation of certain holding companies by public service companies in a certain manner from certain restrictions on the holding and acquisition of stock of and by public service companies; and making this Act an emergency measure.

BY repealing and reenacting, with amendments,

Article - Public Utility Companies

Section 6-101(c)

Annotated Code of Maryland

(1998 Volume)