

generally relating to the authorization of stock and debt transactions by the Public Service Commission.

BY repealing and reenacting, with amendments,

Article – Public Utility Companies

Section 5–203(b) and 6–101(a)

Annotated Code of Maryland

(1998 Volume and 2006 Supplement)

(As enacted by Chapter 5 of the Acts of the General Assembly of the First Special Session 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.

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

(2) [Without] **EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS SUBSECTION, WITHOUT** prior authorization of the Commission, a public service company may not:

(i) assume or guarantee an obligation or liability with respect to stocks, bonds, securities, notes, or other evidence of indebtedness that is payable as a whole or in part to any person more than 12 months after the date of issuance; or

(ii) issue stocks, bonds, securities, notes, or other evidence of indebtedness payable as a whole or in part more than 12 months after the date of issuance.

(3) Stocks, bonds, securities, notes, or other evidence of indebtedness described under paragraph (2)(ii) of this subsection shall be issued in accordance with §§ 6–102 and 6–103 of this article.

(4) The Commission shall take action on an application for authorization under this section within a reasonable time after receipt.

(5) PRIOR AUTHORIZATION OF THE COMMISSION IS NOT REQUIRED FOR AN ASSUMPTION OR GUARANTEE UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION OR AN ISSUANCE UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION MADE BY A GAS COMPANY, ELECTRIC COMPANY, OR TELEPHONE COMPANY WHOSE GROSS ANNUAL REVENUES, FOR THE MOST RECENT CALENDAR YEAR FOR WHICH DATA ARE AVAILABLE, ARE LESS THAN 3% OF THE