



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 820 (as enrolled)
Sponsor: Senator Mat J. Dunaskiss
Committee: Financial Services

Date Completed: 2-12-96

RATIONALE

Public Act 144 of 1909 (former MCL 460.301-460.303) provided that any public utility seeking to issue stocks, bonds, notes, or other debt of more than 12 months' duration was required to obtain approval from the Michigan Public Service Commission (PSC). Public Act 246 of 1995, which took effect on December 27, 1995, repealed Public Act 144, but also specified that the repealer did not alter or void any order of the PSC authorizing the issue of securities under Public Act 144. Some people believe that the provision of Public Act 246 of 1995 was not sufficient to ensure that those orders would remain in effect, after the repealer, and that the PSC would continue to have jurisdiction over debt issued under those orders.

over those issues, despite the repeal of the authorizing legislation.

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Barsch

CONTENT

The bill specifies that the repeal of Public Act 144 of 1909 did not alter or void any order issued by the PSC authorizing the issue of securities under Public Act 144, and that, despite the repeal of that Act, the PSC would continue to have jurisdiction over any stocks, bonds, or other indebtedness issued pursuant to a PSC order under that repealed Act.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would ensure that utilities' stocks, bonds, or other indebtedness issued pursuant to a PSC order under Public Act 144 would continue to be in effect and that the PSC would retain jurisdiction

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.