
A BILL FOR AN ACT

RELATING TO THE PUBLIC UTILITIES COMMISSION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 269-19, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§269-19 Merger and consolidation of public utilities.**

4 (a) Except as provided in subsection (b), no public utility
5 shall sell, lease, assign, mortgage, or otherwise dispose of or
6 encumber the whole or any part of its road, line, plant, system,
7 or other property necessary or useful in the performance of its
8 duties to the public, or any franchise or permit, or any right
9 thereunder, nor by any means, directly or indirectly, merge or
10 consolidate with any other public utility without first having
11 secured from the public utilities commission an order
12 authorizing it so to do. Every such sale, lease, assignment,
13 mortgage, disposition, encumbrance, merger, or consolidation[7]
14 made other than in accordance with the order of the commission
15 shall be void.

16 (b) A public utility, under circumstances that it deems
17 exigent and in its judgment require a response that rapidly



1 restores one of its customers to normal, or near normal,
2 operating status in order to prevent serious disruption of
3 essential public services, or avoid serious risk to public
4 safety, or to mitigate severe economic losses to that customer,
5 may transfer, assign, or otherwise dispose of its property
6 without prior approval from the public utilities commission as
7 required in subsection (a); provided that in so doing:

8 (1) The public utility does not unduly hinder or degrade
9 the public utility's operation with respect to its
10 services or other customers;

11 (2) The public utility is duly compensated for its
12 property; and

13 (3) The public utility reports in detail to the public
14 utilities commission within thirty days of any such
15 action unless otherwise approved by the public
16 utilities commission for good cause shown.

17 ~~[For purposes of]~~ As used in this subsection, "property"
18 does not include real property.

19 (c) With respect to mergers, consolidations, acquisitions,
20 or other changes of control under subsection (a), the public
21 utilities commission shall complete its review and issue a



1 decision within nine months from the date that the public
2 utility, other than an investor-owned electric utility company,
3 files its completed application seeking an order of
4 authorization.

5 With respect to mergers, consolidations, acquisitions, or
6 other changes of control under subsection (a) for which an
7 investor-owned electric utility company seeks an order of
8 authorization from the public utilities commission, the
9 commission shall complete its review and issue a decision within
10 twelve months from the date that the investor-owned electric
11 utility company files its completed application.

12 As used in this subsection, an "investor-owned electric
13 utility company" means a for-profit electric utility company
14 that issues stock owned by shareholders."

15 SECTION 2. This Act does not affect rights and duties that
16 matured, penalties that were incurred, and proceedings that were
17 begun before its effective date.

18 SECTION 3. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 4. This Act shall take effect on June 30, 3000.



Report Title:

Public Utilities Commission; Deadlines; Merger, Consolidation, Acquisition, or Other Change of Control

Description:

Requires the public utilities commission to complete its review and issue a decision within nine months from the date that a public utility, other than an investor-owned electric utility company, files its completed application seeking approval for a merger, consolidation, acquisition, or other change of control and within twelve months from the date of the application for an investor-owned electric utility company. Effective 6/30/3000.
(HD1)

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