

DISTRICT OF COLUMBIA
OFFICIAL CODE

TITLE 34.
PUBLIC UTILITIES.

CHAPTER 5.
ISSUANCE OF SECURITIES.

2001 Edition

DISTRICT OF COLUMBIA OFFICIAL CODE

CHAPTER 5. ISSUANCE OF SECURITIES.

TABLE OF CONTENTS

§ 34-501. Creation of liens on property of utilities; supervision by Commission.

§ 34-502. Certificate showing authority to issue stock or pay dividends to be obtained.

§ 34-503. Stocks not to be issued until certificate is recorded.

§ 34-504. Issue of stocks for purpose of reorganization or consolidation; approval of consolidation by Commission.

§ 34-505. Application of proceeds of stock.

§ 34-506. Stock to be void unless law is complied with.

§ 34-507. Penalty for improper issuance or application of stock or proceeds.

CHAPTER 5. ISSUANCE OF SECURITIES.

§ 34-501. CREATION OF LIENS ON PROPERTY OF UTILITIES; SUPERVISION BY COMMISSION.

The power to create liens on corporate property by public utilities in the District of Columbia is hereby declared to be a special privilege, the right of supervision, regulation, restriction, and control of which is hereby vested in the Public Service Commission of the District of Columbia, and such power shall be exercised according to the provisions of this subtitle.

(Mar. 4, 1913, 37 Stat. 990, ch. 150, § 8, par. 72; Aug. 30, 1964, 78 Stat. 634, Pub. L. 88-503, § 21.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-701.

1973 Ed., § 43-801.

§ 34-502. CERTIFICATE SHOWING AUTHORITY TO ISSUE STOCK OR PAY DIVIDENDS TO BE OBTAINED.

No public utility shall hereafter issue any stocks, stock certificates, bonds, mortgages, or any other evidences of indebtedness payable in more than 1 year from date, or pay any stock, bond or scrip dividend, until it shall have first obtained the certificate of the Commission showing authority for such issue from the Commission.

(Mar. 4, 1913, 37 Stat. 990, ch. 150, § 8, par. 73; Aug. 4, 1955, 69 Stat. 485, ch. 545, § 2.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-702.

1973 Ed., § 43-802.

§ 34-503. STOCKS NOT TO BE ISSUED UNTIL CERTIFICATE IS RECORDED.

No public utility shall issue any stocks, certificates of stock, bonds, or other evidences of indebtedness for money, property, or services, either directly or indirectly, nor shall it receive any money, property, or services in payment of the same, either directly or indirectly, until there shall have been recorded upon the books of such public utility the certificate of the Commission in this subtitle provided for.

(Mar. 4, 1913, 37 Stat. 990, ch. 150, § 8, par. 74.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-703.

1973 Ed., § 43-803.

§ 34-504. ISSUE OF STOCKS FOR PURPOSE OF REORGANIZATION OR CONSOLIDATION; APPROVAL OF CONSOLIDATION BY COMMISSION.

No public utility shall issue any stocks, certificates of stock, bonds, or other evidences of indebtedness secured on its property in the District of Columbia for the purpose of any reorganization or consolidation in excess of the total amount of the stocks, certificates of stock, bonds, or other evidences of indebtedness

then outstanding against the public utilities so reorganizing or consolidating, and no such public utility shall purchase the property of any other public utility for the purpose of effecting a consolidation until the Commission shall have determined and set forth in writing that said consolidation will be in the public interest, nor until the Commission shall have approved in writing the terms upon which said consolidation shall be made.

(Mar. 4, 1913, 37 Stat. 990, ch. 150, § 8, par. 76.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-704.

1973 Ed., § 43-805.

§ 34-505. APPLICATION OF PROCEEDS OF STOCK.

No public utility shall apply the proceeds of any such stock, certificates of stock, bonds, or other evidences of indebtedness to any other purpose or issue the same on any less favorable terms than that specified in the certificate issued by the Commission.

(Mar. 4, 1913, 37 Stat. 990, ch. 150, § 8, par. 77.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-705.

1973 Ed., § 43-806.

§ 34-506. STOCK TO BE VOID UNLESS LAW IS COMPLIED WITH.

All stocks, certificates of stock, bonds, and other evidences of indebtedness issued contrary to the provisions of this subtitle shall be void.

(Mar. 4, 1913, 37 Stat. 990, ch. 150, § 8, par. 78.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-706.

1973 Ed., § 43-807.

§ 34-507. PENALTY FOR IMPROPER ISSUANCE OR APPLICATION OF STOCK OR PROCEEDS.

Any public utility, or any agent, director, or officer thereof, who shall, directly or indirectly, issue or cause to be issued any stocks, certificates of stock, bonds, or other evidences of indebtedness contrary to the provisions of this subtitle, or who shall apply the proceeds from the sale thereof to any purposes other than that specified in the certificate of the Commission, shall forfeit and pay into the Treasury of the United States, to the credit of the General Fund of the District of Columbia, not less than \$1,000 nor more than \$10,000 for each offense.

(Mar. 4, 1913, 37 Stat. 990, ch. 150, § 8, par. 79; Feb. 22, 1921, 41 Stat. 1144, ch. 70, § 7; June 28, 1944, 58 Stat. 533, ch. 300, § 18.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-707.

1973 Ed., § 43-808.