



Ohio Revised Code

Section 4905.42 Hearings on issuance of stocks, bonds, and notes.

Effective: September 13, 2010

Legislation: Senate Bill 162 - 128th General Assembly

To determine whether it should issue the order referred to in section 4905.40 of the Revised Code, the public utilities commission shall hold such hearings, make such inquiries or investigations, and examine such witnesses, books, papers, documents, and contracts as it deems proper.

An order issued under this section shall fix the amount, character, and terms of any issue of stocks, bonds, notes, or other evidence of indebtedness, and the purposes to which the issue or any proceeds of it shall be applied, shall recite that the money, property, consideration, or labor procured or to be procured or paid for by such issue was or is reasonably required for the purposes specified in the order, and shall recite the value of any property, consideration, or service, as found by the commission, for which in whole or in part such issue is proposed to be made.

No public utility or railroad shall, without the consent of the commission, apply any such issue or its proceeds to any purpose not specified in the order. Such public utilities or railroads may issue notes for proper corporate purposes, payable at periods of not more than twelve months, without the consent of the commission, but no such notes shall, in whole or in part, directly or indirectly, be refunded by any issue of stocks or bonds, or by any evidence of indebtedness, running for more than twelve months, without the consent of the commission.

All stocks, bonds, notes, or other evidence of indebtedness issued by any public utility or railroad without the permission of the commission are void. No interstate railroad or public utility shall be required to apply to the commission for authority to issue stocks, bonds, notes, or other evidence of indebtedness for the acquisition of property, the construction, completion, extension, or improvement of its facilities, or the improvement or maintenance of its service outside this state, or for authority for the discharge or refunding of obligations issued or incurred for such purposes or the reimbursement of moneys actually expended for such purposes outside this state.

No pipe-line company when engaged in the business of transporting oil through pipes or tubing, either wholly or partly within this state, shall be required to apply to the commission for authority



to issue stocks, bonds, notes, or other evidence of indebtedness for the purpose of acquiring or paying for stocks, bonds, notes, or other evidence of indebtedness of any other corporation organized under the laws of this state, any other state, the District of Columbia, the United States, any territory of the United States, any foreign country, or otherwise.

No company that is both a pipe-line company engaged as such in the business of transporting natural gas through pipes or tubing in interstate commerce, wholly or partly within this state, and a natural gas company engaged as such in this state solely in the business of supplying natural gas to gas companies or to natural gas companies shall be required to apply to the commission for authority to issue stocks, bonds, notes, or other evidence of indebtedness.

This section does not apply to a telephone company.