

48:2-51.1

LEGISLATIVE HISTORY CHECKLIST

NJSA: 48:2-51.1

(Public utilities - acquisition of control)

LAWS OF: 1984

CHAPTER: 2

Bill No: A826

Sponsor(s): Doyle

Date Introduced: January 10, 1984

Committee: Assembly: Energy and Natural resources

Senate: -----

Amended during passage: Yes

Substituted for S390 (not attached since identical to A826) Amendments during passage denoted by asterisks.

Date of Passage:

Assembly: January 30, 1984

Senate: January 30, 1984

Date of Approval: January 31, 1984

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate No

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

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1-31-84

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ASSEMBLY, No. 826**STATE OF NEW JERSEY**

INTRODUCED JANUARY 10, 1984

By Assemblyman DOYLE, Assemblywoman FORD and Assemblyman MARSELLA

AN ACT concerning the acquisition of control of public utilities, and supplementing Title 48 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. ***[No person shall, without the prior written approval of the**
2 Board of Public Utilities, acquire or seek to acquire control of a
3 public utility through the purchase of shares, the election of
4 directors, the acquisition of proxies to vote for the election of
5 directors, or otherwise, of the public utility or directly or indirectly
6 through the medium of an affiliated or parent corporation or
7 organization]* **No person shall acquire or seek to acquire control*
8 *of a public utility directly or indirectly through the medium of an*
9 *affiliated or parent corporation or organization, or through the*
10 *purchase of shares, the election of a board of directors, the acquisi-*
11 *tion of proxies to vote for the election of directors, or through any*
12 *other manner, without requesting and receiving the written ap-*
13 *proval of the Board of Public Utilities**. Any agreement reached, or
14 **any other** action taken, in violation of this act shall be void. In
15 considering a request for approval of an acquisition of control, the
16 board shall evaluate the impact of the acquisition on competition,
17 **on** the rates of ratepayers affected by the acquisition of control,
18 **on** the employees of the affected public utility or utilities, and
19 **on** the provision of safe and adequate utility service at just and
20 reasonable rates. The board shall accompany its decision on a re-
21 quest for approval of an acquisition of control with a written
22 report detailing the ***[reason]*** **basis** for its decision, including
23 findings of fact and conclusions of law.

1 2. This act shall take effect immediately.

EXPLANATION—Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted January 23, 1984.

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5 directors, or otherwise, of the public utility or directly or indirectly
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7 organization. Any agreement reached, or action taken, in viola-
8 tion of this act shall be void. In considering a request for approval
9 of an acquisition of control, the board shall evaluate the impact
10 of the acquisition on competition, the rates of ratepayers affected
11 by the acquisition of control, the employees of the affected public
12 utility or utilities, and the provision of safe and adequate utility
13 service at just and reasonable rates. The board shall accompany
14 its decision on a request for approval of an acquisition of control
15 with a written report detailing the reason for its decision, in-
16 cluding findings of fact and conclusions of law.

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SPONSOR'S STATEMENT

The purpose of this bill is to clarify current law to confirm that the direct or indirect acquisition of control of any public utility requires the prior approval of the Board of Public Utilities. In addition, the bill requires prior written approval by the board before any action is taken to seek to acquire control of any public utility. This bill also provides that in the course of evaluating a request for approval of any acquisition of control, the Board of Public Utilities would consider the impact of acquisition of control on utility rates, competition, the employees of the affected utility, and the provision of safe and adequate service at just and reasonable rates.

A 826 (1984)

ASSEMBLY ENERGY AND NATURAL RESOURCES
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 826

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 23, 1984

This bill would prohibit any person from acquiring or seeking to acquire control of a public utility without first requesting and receiving written approval from the Board of Public Utilities. The bill would clarify existing law on approvals of acquisitions by specifically requiring the board to evaluate the impact of the acquisition, and accompany the decision to approve or deny the request with a written report detailing the basis for its decision, including findings of fact and conclusions of law. The committee amended the bill to correct certain technical deficiencies.