

No. 560, A.]

[Published June 22, 1951.

**CHAPTER 389.**

AN ACT to amend 184.01 (3) and 184.05 (4) and to create 196.50 (6) of the statutes, relating to certain securities of public service corporations and the granting of permits and certificates to such corporations in certain cases.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 184.01 (3) of the statutes is amended to read:

184.01 (3) "Securities" means capital stock and evidences of indebtedness of a public service corporation, not including, however, (a) any obligation falling due one year or less after its date and bearing date not later than the day of sale; or (b) any obligation issued to the United States of America in connection with loans for rural telephone facilities made pursuant to the rural electrification act of 1936, as amended, or (c) any securities issued by a corporation organized under chapter 185.

SECTION 2. 184.05 (4) of the statutes is amended to read:

184.05 (4) The amount of securities of each class which any public service corporation may issue shall bear a reasonable proportion to each other and to the value of the property, due consideration being given to the nature of the business of the corporation, its credit and prospects, the possibility that the value of the property may change from time to time, the effect which such issue will have upon the management and operation of the corporation by reason of the relative amount of financial interest which the various classes of stockholders will have in the corporation, and other considerations deemed relevant by the commission. *The provisions of this subsection shall not apply to common stock issued by a public service corporation with loans for rural telephone facilities made pursuant to the evidences of indebtedness to the United States of America in connection with loans for rural telephone facilities made pursuant to the rural electrification act of 1936, as amended.*

SECTION 3. 196.50 (6) of the statutes is created to read:

196.50 (6) NO DENIAL ON FEDERAL FINANCING. No certificate of convenience and necessity or permit to any public utility under sections 196.49 and 196.50 shall be denied by reason of the amount of its notes, bonds or other evidences of indebtedness issued to the United States of America in connection with loans *for rural telephone facilities* made under the rural electrification act of 1936, as amended, or by reason of the ratio of such indebtedness to the value of its property or to its other classes of securities.

Approved June 14, 1951.

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