

66-1401. Jurisdiction over holding companies; "affiliated interests" defined. (1) The state corporation commission shall have jurisdiction over holders of the voting capital stock of all public utility companies under the jurisdiction of the commission to such extent as may be necessary to enable the commission to require the disclosure of the identity in respective interests of every owner of any substantial interest in such voting capital stocks. One percent or more is a substantial interest, within the meaning of this subsection.

(2) Such commission shall have jurisdiction over affiliated interests having transactions, other than ownership of stock and receipt of dividends thereon, with utility corporations and other utility companies under the jurisdiction of the commission, to the extent of access to all accounts and records of such affiliated interests relating to such transactions, including access to accounts and records of joint or general expenses, any portion of which may be applicable to such transactions; and to the extent of authority to require such reports to be submitted by such affiliated interests, as the commission may prescribe. For the purpose of this section only, "affiliated interests" include the following:

(a) Every corporation and person owning or holding directly or indirectly 10% or more of the voting capital stock of such utility corporation.

(b) Every corporation and person in any chain of successive ownership of 10% or more of voting capital stock.

(c) Every corporation 10% or more of whose voting capital stock is owned by any person or corporation owning 10% or more of the voting capital stock of such utility corporation or by any person or corporation in any such chain of successive ownership of 10% or more of voting capital stock.

(d) Every person who is an officer or director of such utility corporation or of any corporation in any chain of successive ownership of 10% or more of voting capital stock.

(e) Every corporation which has one or more officers or one or more directors in common with such utility corporation.

(f) Every corporation which the commission may determine as a matter of fact, after investigation and hearing, is actually exercising any substantial influence over the policies and actions of such utility corporation even though such influence is not based upon stockholding, stockholders, directors or officers to the extent specified in this section.

(g) Every person or corporation who or which the commission may determine as a matter of fact, after investigation and hearing, is actually exercising such substantial influence over the policies and actions of such utility corporation in conjunction with one or more other corporations or persons with which or whom such person or corporation is related by ownership or blood relationship or by action in concert that together such person or corporation is affiliated with such utility corporation within the meaning of this section even though no one of them alone is so affiliated, except that no such person or corporation shall be considered as affiliated within the meaning of this section if such person or corporation is otherwise subject to the jurisdiction of the commission or such person or corporation shall not have had transactions or dealings other than the holding of stock and the receipt of dividends thereon with such utility corporation during the two-year period next preceding. No foreign holding company shall acquire the stock or control of a local operating unit or public utility in its own name or through a trustee without first entering into an agreement to keep the state corporation commission fully informed as to the transactions between the subsidiary or local operating unit and the holding company, and to submit to the jurisdiction of the commission insofar as such transactions affect the rate or charge to be made by the subsidiary or local operating unit.

(3) Hearings under subsection (2) shall be conducted in accordance with the provisions of the Kansas administrative procedure act.

History: L. 1931, ch. 239, § 1; L. 1988, ch. 356, § 266; July 1, 1989.