

**TITLE 4: ECONOMIC RESOURCES**  
**DIVISION 8: UTILITIES**

**§ 8462. Transfers and Capitalization.**

(a) *Transfers.* Franchises, certificates of public convenience and necessity, substantial assets as defined by regulation, and certificates of capital stock of a telecommunications company, as well as direct or indirect control of a person or corporation possessing the same, may not be sold, assigned, transferred, mortgaged, or otherwise encumbered without the prior consent of the Commission. The Commission shall adopt regulations that specify the form, content and procedures for filing the pertinent requests and for giving the public the opportunity to express its viewpoints. This subsection shall not be interpreted to the effect that it impedes the sale, encumbrance, or disposal of property that is not necessary or useful for the rendering of telecommunications services by any telecommunications company.

(b) *Capitalization.* The Commission shall establish the minimum capital requirements that each telecommunications company must satisfy. When establishing said requirements, the Commission may take into account the capitalization of any entity that may have an interest in the telecommunications company. The Commission shall also have authority to adopt rules related to mortgages, encumbrances, and other liabilities on the stock and assets of the telecommunications company, including rules requiring the prior approval of the Commission to carry out financial transactions, such as security contracts, mortgages, or any other type of encumbrance or liability. Any transaction of any type that results in a violation of the provisions of subsections (a) and (b), above, or the rules that the Commission may adopt by virtue thereof shall be null and void.

**Source:** PL 15-35, § 2 (8443), modified.