

duced and vigorously pushed, but failed of passage. In practically every other state the agitation was, at least, begun.

Analysis of the Maryland Law.—I wish that space permitted us to analyze the Maryland law. Let it suffice to say that the commissioners are appointed by the governor, as is the general counsel of the commission. Their salaries of \$5,000 or \$6,000 are borne in nearly equal measure by the state and the city of Baltimore. Public utility companies are required to furnish, to quote the language of the statute, "such service and facilities as shall be safe and adequate, and in all respects reasonable, and all charges shall be just and reasonable and not more than allowed by law or the orders of the commission." The commission can examine all records or properties of all utilities, must investigate all complaints, and must prescribe a uniform system of accounts. The commission alone can require, and alone can permit extensions and improvements. The commission must approve all issues of stocks and bonds, must approve all assignments of franchises or mergers of utility companies. These latter, of course, are very important provisions, but not more important than the provision which forbids the valuation of a franchise at any sum greater than the amount paid for the franchise. The commission must make and keep up-to-date an accurate valuation of the assets of the different utilities within its jurisdiction.

Methods and Powers of Utility Commissions.—Valuation of Properties.—Let us consider for one moment the method of operation by which, under the laws described, a public utility commission may accomplish the objects of its creation.

First as to valuation of properties. For the reasons and by the methods to which I have alluded, and which are familiar to every thinking man of to-day, we find almost all public utilities heavily overcapitalized. Their stock is "watered," to use the current phrase. As expressed by Mr. Roemer, of the Milwaukee Commission, in an address before the Bar Association of Wisconsin, in 1909:—

"Most public utility plants are owned and operated by pub-