



2001 ASSEMBLY BILL 233

March 20, 2001 - Introduced by COMMITTEE ON STATE AND LOCAL FINANCE (SELECT).
Referred to Committee on State and Local Finance (Select).

1 **AN ACT** *to repeal* 66.0817 (1) to (7); *to renumber and amend* 66.0817 (intro.);
2 and *to amend* 66.0807 (2) and 198.14 (4) of the statutes; **relating to:** the
3 procedures used by a city, village, or town to sell or lease a municipal public
4 utility plant.

Analysis by the Legislative Reference Bureau

Under current law, a municipality (a city, village, or town) may sell or lease any public utility plant that it owns only by completing a number of steps that must be performed according to a specified time table. The steps include the following: enacting an ordinance or resolution that summarizes the proposed terms of a sale or lease and that authorizes the negotiation of a preliminary agreement with a prospective purchaser; submitting a preliminary agreement to the department of transportation (DOT) or the public service commission (PSC) for a determination of whether the sale or lease is in the public interest; fixing the price and terms of the transaction by DOT or PSC if the transaction is found to be in the public interest; submitting the proposed transaction to the electors of the municipality for a referendum; and requiring that if the referendum is approved, the sale or lease be consummated within one year of the referendum, unless the time is extended by DOT or PSC, or the transaction is void.

This bill repeals all of the steps that must be completed. Under the bill, a municipality may sell or lease any public utility plant it owns in any manner that it considers appropriate.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 66.0807 (2) of the statutes is amended to read:

2 66.0807 (2) A city, village or town served by a privately owned public utility,
3 motor bus or other systems of public transportation rendering local service may
4 contract with the owner of the utility or system for the leasing, public operation, joint
5 operation, extension and improvement of the utility or system by the municipality;
6 or, with funds loaned by the municipality, may contract for the stabilization by
7 municipal guaranty of the return upon or for the purchase by instalments out of
8 earnings or otherwise of that portion of the public utility or system which is operated
9 within the municipality and any territory immediately adjacent and tributary to the
10 municipality; or may contract for the accomplishment of any object agreed upon
11 between the parties relating to the use, operation, management, value, earnings,
12 purchase, extension, improvement, sale, lease or control of the utility or system
13 property. The provisions of s. 66.0817, 1999 stats., relating to preliminary agreement
14 and approval by the department of transportation or public service commission apply
15 to the contracts authorized by this section. The department of transportation or
16 public service commission shall, when a contract under this section is approved by
17 it and consummated, cooperate with the parties in respect to making valuations,
18 appraisals, estimates and other determinations specified in the contract to be made
19 by it.

20 **SECTION 2.** 66.0817 (intro.) of the statutes is renumbered 66.0817 and amended
21 to read:

