



## 2001 ASSEMBLY BILL 438

June 7, 2001 - Introduced by Representatives FOTI, D. MEYER, LOEFFELHOLZ, McCORMICK, RHOADES, KRAWCZYK, AINSWORTH, DUFF, GUNDERSON, HAHN, JESKEWITZ, KESTELL, LADWIG, M. LEHMAN, MONTGOMERY, MUSSER, OLSEN, OWENS, POWERS, SUDER, TOWNSEND, WADE, WALKER and URBAN, cosponsored by Senators HARSDFORF, DARLING and SCHULTZ. Referred to Committee on Energy and Utilities.

1     **AN ACT** *to amend* 16.957 (4) (a) and 16.957 (5) (a); and *to create* 16.957 (6) of  
2             the statutes; **relating to:** public benefits fee exemption and granting  
3             rule-making authority.

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### *Analysis by the Legislative Reference Bureau*

Under current law, the department of administration (DOA) is required to establish programs for energy assistance to low-income households, conservation and efficiency services, and renewable energy resources. The programs are funded, in part, by monthly public benefits fees that public utilities and cooperative associations which provide retail electric service are required to charge their customers and members. DOA must promulgate rules that establish the amounts of public benefits fees that nonmunicipal public utilities must charge. Municipal public utilities and retail cooperatives must charge fees in amounts that are established by statute.

This bill creates an exemption from the requirement of paying a monthly public benefits fee. Under the bill, a public utility or cooperative association may not charge a monthly public benefits fee to a customer or member who notifies the public utility or cooperative association that he or she resides in elderly or low-income rental housing that is provided with federal, state, or local government assistance. The bill requires DOA to promulgate rules that specify the housing that is eligible for the exemption.

In addition, DOA must promulgate rules that establish procedures for a nonmunicipal utility to comply with the bill. The rules regarding nonmunicipal

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utilities may allow nonmunicipal utilities to provide rebates to residential customers. If a nonmunicipal utility provides such a rebate in a fiscal year, the nonmunicipal utility must add the amount of the rebate to the amount of total public benefits fees that it is required to collect in the succeeding fiscal year. Also, the rules regarding nonmunicipal utilities may require a residential customer to submit proof that he or she resides in housing that is eligible for the exemption.

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

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

1           **SECTION 1.** 16.957 (4) (a) of the statutes is amended to read:

2           16.957 (4) (a) *Requirement to charge public benefits fees.* ~~Each~~ Except as  
3 provided in sub. (6), each electric utility, except for a municipal utility, shall charge  
4 each customer a public benefits fee in an amount established in rules promulgated  
5 by the department under par. (b). An electric utility, except for a municipal utility,  
6 shall collect and pay the fees to the department in accordance with the rules  
7 promulgated under par. (b). The public benefits fees collected by an electric utility  
8 shall be considered trust funds of the department and not income of the electric  
9 utility.

10           **SECTION 2.** 16.957 (5) (a) of the statutes is amended to read:

11           16.957 (5) (a) *Requirement to charge public benefits fees.* ~~Each~~ Except as  
12 provided in sub. (6), each retail electric cooperative and municipal utility shall  
13 charge a monthly public benefits fee to each customer or member in an amount that  
14 is sufficient for the retail electric cooperative or municipal utility to collect an annual  
15 average of \$16 per meter. A retail electric cooperative or municipal utility may  
16 determine the amount that a particular class of customers or members is required  
17 to pay under this paragraph and may charge different fees to different classes of  
18 customers or members.

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1           **SECTION 3.** 16.957 (6) of the statutes is created to read:

2           16.957 (6) PUBLIC BENEFITS FEE EXEMPTION. (a) In this subsection,  
3 “nonmunicipal electric utility” means an electric utility that is not a municipal  
4 utility.

5           (b) No nonmunicipal electric utility, municipal utility, or retail electric  
6 cooperative may charge a public benefits fee to a residential customer or member who  
7 notifies the nonmunicipal electric utility, municipal utility, or retail electric  
8 cooperative that the residential customer or member resides in elderly or  
9 low-income rental housing that is provided with federal, state, or local government  
10 assistance.

11           (c) The department shall promulgate rules that do all of the following:

- 12           1. Specify the housing described in par. (b).  
13           2. Establish procedures for a nonmunicipal electric utility to comply with par.  
14 (b).

15           (d) The rules promulgated under par. (c) 2. may allow a nonmunicipal electric  
16 utility to do any of the following:

- 17           1. Provide rebates to residential customers who have paid public benefits fees  
18 and who make a notification under par. (b).  
19           2. Require a residential customer to submit proof to the nonmunicipal electric  
20 utility that the residential customer resides in housing described in par. (b).

21           (e) A nonmunicipal electric utility that provides a rebate described in par. (d)  
22 1. in a fiscal year shall add the amount of the rebate to the total amount of public  
23 benefits fees that the nonmunicipal electric utility is required to collect in the  
24 succeeding fiscal year.

25           **SECTION 4. Effective date.**

