



**ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1995 ASSEMBLY BILL 374**

January 23, 1996 – Offered by COMMITTEE ON ENVIRONMENT AND UTILITIES.

1 **AN ACT to repeal** 66.898 (4) (c) and 66.899; **to amend** 66.886 (2) (a) 1., 66.898  
2 (4) (b), 66.91 (5) (a), 66.912 (5) and 144.241 (1) (ae); and **to repeal and recreate**  
3 144.241 (8) (L) of the statutes; **relating to:** the authority of the Milwaukee  
4 Metropolitan Sewerage District to charge for capital costs, capital cost loans  
5 under the clean water fund program and an evaluation of wastewater  
6 treatment services provided by the Milwaukee Metropolitan Sewerage District.

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

7 **SECTION 1.** 66.886 (2) (a) 1. of the statutes is amended to read:  
8 66.886 (2) (a) 1. No resolution adopted by the commission under s. 66.91 (1),  
9 (3) (c) or (6), 67.05 (1) or 67.12 (12), no schedule of charges under s. 66.076, 66.898  
10 (4), ~~66.899~~ or 66.91 (5) (b) 3., no decision to borrow against taxes under s. 67.12 (1)  
11 and no decision to borrow under s. 24.61 (3) (a) 7. is valid unless adopted by an  
12 affirmative vote of at least a two-thirds majority of all commissioners.

13 **SECTION 2.** 66.898 (4) (b) of the statutes is amended to read:

1           66.898 (4) (b) ~~Except as provided in par. (c), the charges~~ Charges assessed  
2 under this subsection shall be established in accordance with s. 66.076 or 66.91 (5).  
3 In computing the schedule of charges under this subsection, the commission may  
4 consider the factors specified in s. 66.076 (5) or 66.91 (5). In computing the schedule  
5 of charges under this subsection, the commission may also consider the fact that  
6 sewerage service may not be available to or may be available to but not utilized by  
7 a part of the property located within the territorial limits of a contracting party at  
8 the time of computing the schedule.

9           **SECTION 3.** 66.898 (4) (c) of the statutes is repealed.

10           **SECTION 4.** 66.899 of the statutes is repealed.

11           **SECTION 5.** 66.91 (5) (a) of the statutes is amended to read:

12           66.91 (5) (a) For service provided to any user, the commission may establish,  
13 assess and collect service charges under s. 66.076 or under this subsection. ~~For~~  
14 ~~service to any user outside the district and not located in a municipality which has~~  
15 ~~contracted with the district under s. 66.898, the commission may establish, assess~~  
16 ~~and collect service charges under s. 66.899. Except as provided under s. 66.899 (2),~~  
17 any Any charge made by the district under this subsection is receivable under s.  
18 66.912 (5). The sewerage service charges established under s. 66.076 or under this  
19 subsection with respect to capital costs for service to any user shall be uniform.

20           **SECTION 6.** 66.912 (5) of the statutes is amended to read:

21           66.912 (5) **REVIEW BY PUBLIC SERVICE COMMISSION.** ~~Except as provided under s.~~  
22 ~~66.899 (2), upon~~ Upon complaint to the public service commission by any user that  
23 charges, rules and practices under this section are unreasonable or unjustly  
24 discriminatory, according to the standards and criteria which the commission is  
25 required to follow under state or federal law, including, without limitation because

1 of enumeration, this section, 33 USC 1251 at. seq. and ch. 147, or upon complaint of  
2 a holder of a revenue bond or other evidence of debt, secured by a mortgage on the  
3 sewerage system or any part thereof or pledge of the income of sewerage service  
4 charges, that charges are inadequate, the public service commission shall  
5 investigate the complaint. If sufficient cause therefor appears, the public service  
6 commission shall set the matter for a public hearing upon 10 days' notice to the  
7 complainant and the commission. After the hearing, if the public service commission  
8 determines that the charges, rules or practices complained of are unreasonable or  
9 unjustly discriminatory, it shall determine and by order fix reasonable charges, rules  
10 and practices and shall make such other order respecting such complaint as may be  
11 just and reasonable. The proceedings under this subsection shall be governed, as far  
12 as applicable, by ss. 196.26 to 196.40. The commission may submit the factual data,  
13 reports and analyses considered by it in establishing the charges, rules or practices  
14 subject to a complaint under this subsection. The public service commission shall  
15 give due weight to such data, reports and analyses. Judicial review of the  
16 determination of the public service commission may be had by any person aggrieved  
17 in the manner prescribed under ch. 227. If any user pays a charge and the public  
18 service commission or court, on appeal from the public service commission, finds  
19 such charge, after reviewing a complaint filed under this subsection, to be excessive,  
20 the district shall refund to the user the excess plus the interest thereon computed at  
21 the rate then paid by the district for borrowing funds for a term of one year or less.

22 **SECTION 7.** 144.241 (1) (ae) of the statutes is amended to read:

23 144.241 (1) (ae) "Capital cost loan" means a loan to a municipality to finance  
24 or refinance its payment for capital costs to a metropolitan sewerage district  
25 organized under ss. 66.88 to 66.918.

1           **SECTION 8.** 144.241 (8) (L) of the statutes is repealed and recreated to read:

2           144.241 (8) (L) 1. In this paragraph, “eligible city or village” means the city of  
3 Brookfield, Mequon, Muskego or New Berlin or the village of Butler, Elm Grove,  
4 Germantown, Menomonee Falls or Thiensville.

5           2. An eligible city or village may apply under this section and s. 144.2415 for  
6 a capital cost loan to facilitate the settlement of a dispute with a metropolitan  
7 sewerage district organized under ss. 66.88 to 66.918. The total amount of capital  
8 cost loans made under this section and s. 144.2415 may not exceed \$120,000,000. No  
9 capital cost loan funds may be released under this section and s. 144.2415 until the  
10 secretary of administration has found in writing that the capital cost loan serves the  
11 public interest and either that the eligible city or village applying for the capital cost  
12 loan and the metropolitan sewerage district have signed an agreement under which  
13 the eligible city or village agrees to pay a portion of the metropolitan sewerage  
14 district’s capital costs or that the eligible city or village applying for a capital cost loan  
15 has pledged in writing to abide by a decision of the public service commission or a  
16 court determining the liability of the eligible city or village to the metropolitan  
17 sewerage district for capital costs.

18           3. No eligible city or village may apply for a capital cost loan in an amount that  
19 exceeds its obligations for the capital costs of the metropolitan sewerage district  
20 organized under ss. 66.88 to 66.918. If, at the time that an eligible city or village  
21 applies for a capital cost loan, applications from other eligible cities or villages are  
22 pending and the total amount of the capital cost loan applications pending exceeds  
23 \$120,000,000, less the amount of any capital cost loans paid before the eligible city  
24 or village applies for its capital cost loan, each applicant is eligible for the proportion

1 of the remaining funds equal to its proportion of the total amount of capital cost loan  
2 applications that are pending.

3 **SECTION 9. Nonstatutory provisions.**

4 (1) COMMITTEE ON WASTEWATER TREATMENT IN SOUTHEASTERN WISCONSIN.

5 (a) There is created a governor's committee on wastewater treatment in  
6 southeastern Wisconsin to study disputes involving wastewater treatment in  
7 southeastern Wisconsin and to recommend a resolution to those disputes. The  
8 committee shall consist of 3 members appointed by the governor. The committee  
9 shall find facts and make recommendations regarding whether the provision of  
10 wastewater treatment services in the southeastern area of this state that is served  
11 by a metropolitan sewerage district created under sections 66.88 to 66.918 of the  
12 statutes would be improved by increasing the number of entities providing  
13 wastewater treatment services in that area and regarding any other subjects  
14 identified by the governor.

15 (b) The committee may call upon any state agency or political subdivision of  
16 this state for assistance and those state agencies and political subdivisions shall  
17 cooperate with the committee to the fullest extent possible.

18 (c) No later than December 1, 1996, the committee shall report its findings to  
19 the governor and to the legislature in the manner provided under section 13.172 (2)  
20 of the statutes. The committee terminates on December 1, 1996.

21 (END)