

No. 439, S.]

[Published June 20, 1945.]

**CHAPTER 332.**

AN ACT to repeal and recreate 198.22 of the statutes, relating to municipal water districts.

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

198.22 of the statutes is repealed and recreated to read:

198.22 MUNICIPAL WATER DISTRICTS. (1) CREATION. Municipal water districts may be created as provided for in this section and when created shall be considered municipal corporations and may exercise the powers herein granted.

(2) DEFINITIONS. The provisions of sections 198.01 to 198.04 (3), 198.06 (2) to (7), 198.10 (1) to (5), 198.12 (1) to (5), 198.13 (3) to (5), 198.14 (1), (2) and (5) to (15), 198.145, 198.15, 198.165, 198.17 (6) to (8), 198.18 (1) to (5), and 198.21 as now in effect or as subsequently amended shall apply to municipal water districts, except that in this section and in the above mentioned statutory provisions, adopted herein by reference.

(a) "Municipal power district", "power district" and "district" mean a municipal water district organized pursuant to this section.

(b) "Public utility" or "utility" means the plant, equipment, material, supplies and any other or different property including contract rights, used and useful primarily for the production, transmission, purification, delivery or furnishing of water to or for the public for any purpose, or to a municipality, county or other governmental unit of this state.

(3) ELECTION NOTICE. The county clerk shall give notice of the election called pursuant to section 198.04 (3) for the purpose of determining whether the proposed district shall be created, which notice shall state the name of the proposed district and describe its boundaries by metes and bounds, by cities, villages, towns or otherwise. The notice shall be published once a week for at least 3 successive weeks before the day of said election in some newspaper or newspapers having general circulation within the proposed district.

(4) DIRECTORS. (a) The government of each district shall be vested in a board of directors. If the district consists of an odd number of municipalities, the board of directors shall consist of one director from each municipality, but if the district

consists of an even number of municipalities, the board of directors shall consist of more than the number of municipalities in the district.

(b) The chief executive of each municipality within the district shall appoint a director of the district who is not an officer or employe of such municipality and shall issue a certificate of such appointment to be filed with the clerk of the district. Such appointees shall meet at the time and place designated by the county clerk, and in case there is an even number of directors, they shall immediately elect, by a majority vote by ballot, an additional director who is a resident of the district but not an officer or employe of any such municipality, and issue a certificate of such election to be filed with the clerk of the district. In case such election is not made within 10 days after the first meeting of the appointees, such fact shall be at once certified by such appointees to the governor of Wisconsin who shall forthwith appoint a resident of the district who is not an officer or employe of any such municipality as such director and shall issue a certificate of such appointment to be filed with the clerk of the district.

(c) The regular term of directors after the first term shall be for 4 years. The first term of half or, in case of an even number of directors, a majority of the directors shall be for 2 years and for the remaining director or directors, for 4 years, determined by lot. Each director shall hold office until his successor is appointed or elected and qualifies. Each director shall, before entering upon the discharge of his duties, take and subscribe to the constitutional oath of office which shall be filed with the clerk of the district.

(d) The death of a director, his resignation or removal from the district, his becoming an officer or employe of any such municipality, or his disability shall vacate his office as such director. The board shall by resolution declare the office vacant and a certified copy of such resolution shall be filed forthwith by the clerk of the district with the clerk of each municipality included within the district. A successor for an expired or an unexpired term shall be elected or appointed by the officer or officers who elected or appointed the director whose term has terminated or whose office has been declared vacant, except in the case of the termination or vacancy of the term of a director appointed by the governor of Wisconsin. In such case the remaining directors shall

elect the successor, and, if unable to do so, the governor shall appoint such successor as provided in subsection (4) (b).

(5) **EXPENSES OF DIRECTORS.** A director shall be entitled to no compensation for his services but shall be entitled to be reimbursed for his actual and necessary traveling and hotel expenses incurred by him whenever it shall be necessary for him to travel outside of the district, and such reimbursement shall be paid at the end of each month upon an itemized statement therefor filed with the clerk and approved by the board.

(6) **ACQUISITION; CONSTRUCTION; OPERATION; SALE OF SERVICE; USE OF STREETS.** The district shall have power and authority to own, acquire, and, subject to the restrictions applying to a municipality under section 196.50 (4), to construct any water utility or portion thereof, to operate, in whole or in part, in the district and to construct any addition or extension to any such utility. For such purpose the district is granted and shall have and exercise the right freely to use and occupy any public highway, street, way or place reasonably necessary to be used or occupied for the construction, operation or maintenance of such utility or any part thereof, subject, however, to the obligation of the district to replace said grounds in the same condition as they previously were in.

(7) **BOUNDARIES.** Immediately upon the organization of the board of directors the clerk shall cause to be recorded in the office of the register of deeds of each county in which any part of said district is located, and shall file with the secretary of state, the state board of health, the governor and the clerk of each town, city or village, wholly or partly within the district, a certified copy of the boundaries of the district as set forth in the notice of election pursuant to subsection (3) or as thereafter amended. Thereafter, in any proceeding wherein the boundaries of the district are concerned, it shall be sufficient in describing said boundaries to refer to such record of such description.

(8) **PURCHASES; SALE; CONVEYANCES.** In addition to all other powers the board of directors shall have the power and authority to purchase, lease, sell, convey and mortgage property of the district and to authorize and order all instruments, contracts, deeds or mortgages to be executed on behalf of the district by the chairman of the board and the clerk of the district.

(9) **GENERAL MANAGER; POWERS.** The general manager shall be the chief executive officer of the district. He shall

be chosen by the board of directors solely on the basis of his executive and administrative qualifications and need not, when appointed, be a resident of the state. No member of the board shall, during the time for which he is appointed or for 2 years thereafter, be chosen as a general manager. In case of the absence or disability of the manager, the board may designate some qualified person to perform the duties of the office during such absence or disability. The general manager shall have all the powers provided for in section 198.16 (2) and such other power as the board may from time to time delegate to him, but shall not be required to devote all of his time to the business of the district unless required to do so by the board. He shall perform such other duties as the board may require of him from time to time, and within 60 days after the end of each fiscal year cause to be published a financial report in the manner provided by the board showing the results of the operation for the preceding fiscal year and the financial status of the district on the last day thereof pursuant to an audit made by a certified public accountant employed by the board.

(10) **CLERK-TREASURER.** The office of district clerk and district treasurer may be held by the same person.

(11) **EXAMINATION AND REPORT OF STATE DEPARTMENT.** The directors shall annually employ the state department of taxation or a certified public accountant to make an annual examination and report of the accounts and transactions of the district and of all contracts entered into by the district and make such recommendations and suggestions as to it or him seem proper and required for the efficient, economical and advantageous management and operation of the district.

(12) **USE OF INCOME.** In addition to other methods herein provided, the income of the district may be used as provided in section 66.06 (11) (c).

(13) **ANNEXING AND DETACHING TERRITORY.** Upon the annexation of any municipality or part thereof within any such district to a municipality outside of such district, then the territory so annexed shall be detached from such district subject to the adjustment of assets and liabilities as provided in section 66.03. When any such district shall be established in any county containing a city of the first class, no municipality in such district shall construct any part of its distribution system except

according to the standard of sizes and grades of materials as used by such city of the first class.

(14) SEVERABILITY. The provisions of this section are severable and the holding of any provision hereof unconstitutional shall not affect the remainder thereof.

Approved June 18, 1945.

No. 2, A.]

[Published June 21, 1945.]

### CHAPTER 333.

AN ACT to amend 71.61 (1) and (10), 72.74 (2), 72.75 (1) and 139.50 (2) (Introductory paragraph) and to repeal and recreate 71.61 (2) of the statutes, relating to a continuation of certain taxes otherwise expiring in 1945.

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

SECTION 1. 71.61 (1) of the statutes is amended to read:

71.61 (1) For the privilege of declaring and receiving dividends, out of income derived from property located and business transacted in this state, there is hereby imposed a tax equal to 3 per cent of the amount of such dividends declared and paid by all corporations (foreign and local), except those specified in section 71.05 (1) (d) and (g) \* \* \*, after September 26, 1935 and prior to July 1, \* \* \* 1947. Such tax shall be deducted and withheld from such dividends payable to residents and nonresidents by the payor corporation.

SECTION 1a. 71.61 (2) of the statutes is repealed and recreated to read:

71.61 (2) Every corporation reporting its income under chapter 71 upon a calendar year basis shall on or before January 31, 1946, make return of its dividend payments on the forms prescribed by the department of taxation and make remittance to the department of taxation of privilege dividend taxes deducted and withheld from dividends paid during the period July 1, 1945, to December 31, 1945. Every corporation reporting its income under chapter 71 upon a fiscal year basis shall, on or before the last day of the first month following the close of such year, make return of its dividend payments on the forms prescribed by the department of taxation and make remittance to the depart-