



1995 ASSEMBLY BILL 290

April 4, 1995 - Introduced by Representatives SKINDRUD, AINSWORTH, DOBYNS, HANSON, KELSO, KREUSER, F. LASEE, LAZICH, LEHMAN, MURAT, MUSSER, OWENS, PORTER, SERATTI, SILBAUGH, SPRINGER, WARD and WIRCH, cosponsored by Senators BUETTNER, RUDE and ANDREA. Referred to Committee on Environment and Utilities.

1 **AN ACT to amend** 66.069 (1) (b); and **to create** 66.069 (1) (f), 66.60 (16) (d) and
2 196.643 (3) of the statutes; **relating to:** responsibility for unpaid utility bills
3 and municipal utility collection practices.

Analysis by the Legislative Reference Bureau

This bill makes several changes to the law regarding responsibility for unpaid utility bills.

Under the bill, a public utility may not hold the owner of a residential rental unit responsible for an unpaid utility bill incurred by a tenant unless the owner agrees to be responsible for the service charges. The bill permits a public utility to require residential tenants requesting utility service to pay an advance as a condition of service.

Current law also includes a procedure under which an owner of a rental unit would not be responsible for utility service provided to the unit after the tenant terminates service but is silent on owner responsibility for already-incurred charges.

Current law permits a municipal water utility to collect arrearages for water service furnished to the owner or occupant of real property by treating the arrearage as a tax levy, creating a lien against the property served for the amount of the arrearage and adding the amount to the property tax bill. Once added to the property tax bill, the property owner is liable for the unpaid water bill. This bill prohibits a municipal water utility from using this collection practice to collect arrearages for water service unless the property owner agreed to be responsible for paying the water bill. Additionally, in the case of a mobile home in a licensed mobile home park, the lien for an unpaid water bill is created against the mobile home unit instead of the lot on which the unit is located and is the responsibility of the mobile home unit owner rather than the lot owner. By cross-reference, this change also applies to sewerage service charges billed by a municipality or a sanitary district.

Additionally, the bill prohibits a municipal electric utility from using a collection procedure similar to the procedure available to municipal water utilities to collect arrearages for electric service.

For further information see the *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.** 66.069 (1) (b) of the statutes is amended to read:

2 66.069 (1) (b) On October 15 in each year notice shall be given to the owner or
3 ~~occupant~~ of all lots or parcels of real estate to which water has been furnished prior
4 to October 1 by a water utility operated by any town, city or village if the owner has
5 agreed to be responsible for water bills, and payment for which water is owing and
6 in arrears at the time of giving ~~such~~ the October 15 notice. The department in charge
7 of the utility shall furnish the treasurer with a list of all such lots or parcels of real
8 estate, and the notice shall be given by the treasurer, unless the governing body of
9 the city, village or town shall authorize such notice to be given directly by the
10 department. Such notice shall be in writing and shall state the amount of such
11 arrears, including any penalty assessed pursuant to the rules of such utility; that
12 unless the same is paid by November 1 thereafter a penalty of ~~10 percent~~ 10% of the
13 amount of such arrears will be added thereto; and that unless such arrears, with any
14 such added penalty, shall be paid by November 15 thereafter, the same will be levied
15 as a tax against the lot or parcel of real estate to which water was furnished and for
16 which payment is delinquent as above specified. Such notice may be served by
17 delivery to ~~either such~~ the owner or ~~occupant~~ personally, or by letter addressed to
18 such the owner or ~~occupant~~ at the owner's post-office address of such lot or parcel
19 of real estate. On November 16 the officer or department issuing the notice shall

1 certify and file with the clerk a list of all lots or parcels of real estate, giving the legal
2 description thereof, to the owners or occupants of which notice of arrears in payment
3 were given as above specified and which arrears still remain unpaid, and stating the
4 amount of such arrears together with the added penalty thereon as herein provided.
5 Each such delinquent amount, including such penalty, shall thereupon become a lien
6 upon the lot or parcel of real estate to which the water was furnished and payment
7 for which is delinquent, and the clerk shall insert the same as a tax against such lot
8 or parcel of real estate. All proceedings in relation to the collection of general
9 property taxes and to the return and sale of property for delinquent taxes shall apply
10 to said tax if the same is not paid within the time required by law for payment of taxes
11 upon real estate. Under this paragraph, if an arrearage is for water furnished to a
12 mobile home unit in a licensed mobile home park, the notice shall be given to the
13 owner of the mobile home unit and a delinquent amount shall become a lien on the
14 mobile home unit rather than a lien on the parcel of real estate on which the mobile
15 home unit is located. A lien on a mobile home unit may be enforced using the
16 procedures under s. 779.48 (2).

17 **SECTION 2.** 66.069 (1) (f) of the statutes is created to read:

18 66.069 (1) (f) A municipal electric utility may not use the procedures under par.
19 (b) to collect arrearages.

20 **SECTION 3.** 66.60 (16) (d) of the statutes is created to read:

21 66.60 (16) (d) A municipal electric utility may not use the procedures under this
22 subsection to collect arrearages.

23 **SECTION 4.** 196.643 (3) of the statutes is created to read:

24 196.643 (3) TENANT RESPONSIBLE FOR UNPAID BILLS. (a) An owner of a rental
25 dwelling unit may not be held responsible for unpaid utility bills incurred by a

1 customer who is a tenant of the rental dwelling unit unless the owner agrees to be
2 responsible for unpaid utility bills.

3 (b) A public utility may require a customer who is a tenant of a rental dwelling
4 unit to pay an advance as a condition of receiving service. The public utility shall
5 deposit any advance received under this paragraph into an interest-bearing
6 account. When the customer terminates service to the rental dwelling unit, the
7 utility shall return the advance and accrued interest, less any deduction for unpaid
8 utility bills, to the customer within 21 days after the date that service is terminated
9 to the dwelling unit.

10 **SECTION 5. Initial applicability.**

11 (1) The treatment of section 66.069 (1) (b) of the statutes first applies to notices
12 issued on the October 15 following the effective date of this subsection.

13 (2) The treatment of section 196.643 (3) (b) of the statutes first applies to a
14 customer who requests service on the first day of the 2nd month beginning after
15 publication.

16 (END)