

2013 DRAFTING REQUEST

Senate Substitute Amendment (SSA-SB315)

Received: 10/7/2013
Wanted: As time permits
For: Paul Farrow (608) 266-9174
May Contact:
Subject: Public Util. - misc.

Received By: mkunkel
Same as LRB:
By/Representing: Scott Rausch
Drafter: mkunkel
Addl. Drafters:
Extra Copies: EVM

Submit via email: YES
Requester's email: Sen.Farrow@legis.wisconsin.gov
Carbon copy (CC) to:

Pre Topic:

No specific pre topic given

Topic:

Release of customer information by municipal utilities

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mkunkel 10/7/2013	kfollett 10/7/2013	rschluet 10/7/2013	_____			
/1				_____	lparisi 10/7/2013	lparisi 10/7/2013	

FE Sent For:

<END>

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/?	mkunkel	11/5/13 10/17		_____			
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FE Sent For:

<END>

Kunkel, Mark

From: Rausch, Scott
Sent: Thursday, October 03, 2013 4:58 PM
To: Kunkel, Mark
Subject: Substitute Amendment to SB 315 LRB 3062
Attachments: 201310031553.pdf

Mark,

We have been approached by a number utilities, realtors, and municipalities to propose additional fixes to 2013 Wisconsin Act 25 through SB 315.

I have attached three documents that will help explain the amendments that Sen. Farrow would like pursue in Senate Substitute Amendment 1 to SB 315. We believe that these changes will clear up all of the concerns of Act 25.

Please let me know if you have any questions regarding our request. Thank you.

Scott Rausch

Chief of Staff
Office of Senator Paul Farrow
(608) 266-9174
Scott.Rausch@legis.wi.gov

PROPOSED SUBSTITUTE AMENDMENT

SECTION 1. 196.137 (2) (am) of the statutes is created to read:

196.137 (2) (am) In connection with an issue of municipal securities and to the extent the municipal utility determines release is necessary to comply with securities disclosure obligations, a lender or a purchaser, or potential purchaser, of or investor, or potential investor, in municipal securities.

NEW SECTION 2. 196.137 (2) (as) of the statutes is created to read:

196.137(2)(as) In connection with the preparation of real estate closing documents, a title agent or insurer, bank, mortgage banker, mortgage broker, or attorney providing legal services.

NEW SECTION 3. 196.137 (2) (az) of the statutes is created to read:

196.137(2)(az) In connection with the foreclosure of real property, a lender or prospective purchaser.

NEW SECTION 4. 196.137(2)(e) of the statutes is created to read:

196.137(2)(e) An owner of the real property provided with municipal utility service, or the owner's designed agent or representative.



To: Senator Farrow

From: Tom Larson, Vice President of Legal and Public Affairs
Cori Lamont, Director of Regulatory Affairs

Date: October 2, 2013

RE: Exceptions to the prohibition of release of customer information by a municipal utility –
SB315/AB384

The following three items are priorities for the WRA to address in the repair bill relating to 2013 Wis. Act 25:

- 1) **Exception for title companies** -- A property transfer exception to allow title companies and its authorized agent(s) to obtain the customer account information from the municipal utility (we do not need nor want real estate licensees included in this exception)

Recommended language:

Any title agents or insurers, banks, mortgage bankers, mortgage brokers, or attorneys providing legal services, including any vendor of the foregoing; who are engaged to perform closing document preparation or real estate settlement services.

- 2) **Standard form** -- Language that mandates uniform information required to obtain customer account information for those outside of a stated exception in the law. Essentially this would be the information that must be included in the authorization, nothing more, and nothing less). The form provided by the League of Municipalities, see attached is a great guideline
- 3) **Owner exception/Abandoned properties** -- The objectives of items and 1 and 4 from the League of Wisconsin Municipalities memo dated August 16, 2013:
"item 1. Owner Exemption. Ensure that property owner, such as the spouse of the person named on the utility account or a landlord or his or her representative can keep track of utility bills by adding the following language: 196.137(2)(e) An owner of the real property provided with municipal utility service, or the owner's designated agent or representative)"
"item 4. Absent Owner/Customer. Language should be added to sec. 196.137 addressing situations involving abandoned properties. In the event that an owner/customer has abandoned the property and is unavailable to provide consent, and the bank has not yet foreclosed on the property and taken title, the utility needs to be able to release billing information to the bank or potential buyers."

Property Owner Verification & Consent

In accordance with the Municipal Utility Consumer Privacy Law (Act 25, Sec. 196.137, *Wis. Stats.* hereinafter "Act 25") effective July 7, 2013, any Wisconsin municipality must have permission from the their customer to release any billing information to a 3rd party.

Please complete information below and return with request for information to
FILL IN APPROPRIATE NAME.

By signing this form, the undersigned authorizes the appropriate municipality to release account balances and water usage information to the party listed on this form.

Property Address

Customer mailing address (if different)

Customer name (print)

Customer signature

Authorized Agent (print)

Authorized Agent signature

Business Address

Agent E-mail address or fax number (**email preferred**)

Kunkel, Mark

From: Rausch, Scott
Sent: Monday, October 07, 2013 12:03 PM
To: Kunkel, Mark
Subject: RE: Substitute Amendment to SB 315 LRB 3062

Mark,

Let's use the term "lender"

Thank you.

Scott Rausch

Chief of Staff
Office of Senator Paul Farrow
(608) 266-9174
Scott.Rausch@legis.wi.gov

From: Kunkel, Mark
Sent: Monday, October 07, 2013 10:48 AM
To: Rausch, Scott
Subject: RE: Substitute Amendment to SB 315 LRB 3062

Your proposed language creates new. S. 196.137 (2) (as), which states: "In connection with the preparation of real estate closing documents, a title agent or insurer, bank, mortgage banker, mortgage broker, or attorney providing legal services."

Instead of "bank" or "mortgage banker," why not refer instead to a "lender"? My rationale is that "bank" might exclude other types of financial institutions (e.g., credit unions), and you could avoid that issue by referring to a lender instead. Note that you do refer to lender in new s. 196.137 (2) (az)

Please let me know what you think.

--Mark

From: Rausch, Scott
Sent: Monday, October 07, 2013 10:01 AM
To: Kunkel, Mark
Subject: RE: Substitute Amendment to SB 315 LRB 3062

Mark,

Sorry I didn't get back to you sooner. I was out of the office on Friday.

I need it by later today if possible. I want it 24 hours before the hearing on Wednesday. Thanks for your help.

Scott Rausch

Chief of Staff
Office of Senator Paul Farrow
(608) 266-9174

Scott.Rausch@legis.wi.gov

From: Kunkel, Mark
Sent: Friday, October 04, 2013 8:38 AM
To: Rausch, Scott
Subject: RE: Substitute Amendment to SB 315 LRB 3062

Okay, will do. How soon do you need it? Is early next week okay?

--Mark

From: Rausch, Scott
Sent: Thursday, October 03, 2013 4:58 PM
To: Kunkel, Mark
Subject: Substitute Amendment to SB 315 LRB 3062

Mark,

We have been approached by a number utilities, realtors, and municipalities to propose additional fixes to 2013 Wisconsin Act 25 through SB 315.

I have attached three documents that will help explain the amendments that Sen. Farrow would like pursue in Senate Substitute Amendment 1 to SB 315. We believe that these changes will clear up all of the concerns of Act 25.

Please let me know if you have any questions regarding our request. Thank you.

Scott Rausch

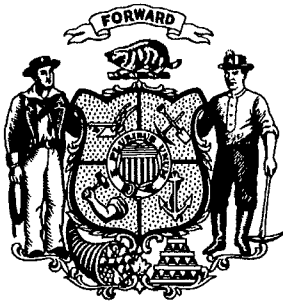
Chief of Staff

Office of Senator Paul Farrow

(608) 266-9174

Scott.Rausch@legis.wi.gov

State of Wisconsin



2013 Assembly Bill 106

Date of enactment: **July 5, 2013**
Date of publication*: **July 6, 2013**

2013 WISCONSIN ACT 25

AN ACT *to create* 196.137 of the statutes; **relating to:** municipal utility customer information.

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

SECTION 1. 196.137 of the statutes is created to read:
196.137 Municipal utility customer information.

(1) DEFINITIONS. In this section:

(a) "Customer information" means any information received from customers which serves to identify customers individually by usage or account status.

(b) "Municipal utility" has the meaning given in s. 196.377 (2) (a) 3.

(2) PROHIBITION. A municipal utility may not release customer information to any person except with the consent of the customer, or except to any of the following:

(a) Agents, vendors, partners, or affiliates of the municipal utility that are engaged to perform any services or functions for or on behalf of the municipal utility.

(b) Transmission and distribution utilities and operators within whose geographic service territory the customer is located.

(c) The commission or any person whom the commission authorizes by order or rule to receive the customer information.

(cm) An owner of a rental dwelling unit to whom the municipal utility provides notice of past-due charges pursuant to s. 66.0809 (5).

(d) Any person who is otherwise authorized by law to receive the customer information.

(3) PUBLIC RECORD EXCEPTION. Customer information is not subject to inspection or copying under s. 19.35.

* Section 991.11, WISCONSIN STATUTES: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication."



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-3062/1

MDK:cjs:rs

cjs&Kuf

SSA to

2013 SENATE BILL 315

today

50133/1

RM NOT done

September 24, 2013 - Introduced by Senators FARROW and ELLIS, cosponsored by Representative KAUFERT. Referred to Committee on Government Operations, Public Works, and Telecommunications.

gen ed

1 AN ACT to create 196.137 (2) (am) of the statutes; relating to the
2 prohibition of release of customer information by a municipal utility.

Analysis by the Legislative Reference Bureau

Under current law, a municipal utility is generally prohibited from releasing "customer information," which is defined as any information received from customers which serves to identify customers individually by usage or account status, without the customer's consent. The prohibition, however, has several exceptions. The exceptions are releases of customer information: 1) to certain persons who perform services or functions for municipal utilities, 2) to certain transmission and distribution utilities and operators, 3) to the Public Service Commission (PSC) or persons whom the PSC authorizes by order or rule to receive the customer information, 4) to an owner of a rental dwelling unit to whom the municipal utility provides certain past-due notices, and 5) to any other person otherwise authorized by law to receive the customer information.

This bill creates an additional exception to the prohibition of a municipal utility releasing customer information. In connection with an issue of municipal securities and to the extent the municipal utility determines release is necessary to comply with securities disclosure obligations, the municipal utility may release customer information to a lender or a purchaser, or potential purchaser, of or investor, or potential investor, in municipal securities.

FPPS/

INSERT 1A

INSERT 1A

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

SENATE BILL 315

SECTION 1

1

SECTION 1. 196.137 (2) (^{ae}~~am~~) of the statutes is created to read:

2

196.137 (2) (^{ae}~~am~~) In connection with an issue of municipal securities and to the
3 extent the municipal utility determines release is necessary to comply with
4 securities disclosure obligations, a lender or a purchaser, or potential purchaser, of
5 or investor, or potential investor, in municipal securities.

6

(END)

↑
INSERT 2-5

1

INSERT 1A:

substitute amendment
X X # This (bill) creates additional exceptions to the prohibition by allowing a municipal utility to release customer information to the following: 1) for compliance with security disclosure obligations, a municipal security purchaser or investor; 2) in connection with the preparation of real estate closing documents, a title agent, insurer, lender, mortgage broker, or attorney; 3) in connection with the foreclosure of real property, a lender or prospective purchaser; or 4) an owner of real property provided with municipal utility service or the owner's designated agent or representative.

2

INSERT 2-5:

3

SECTION 1. 196.137 (2) (am) of the statutes is created to read:

4

196.137 (2) (am) In connection with the preparation of real estate closing documents, a title agent, insurer, lender, mortgage broker, or attorney providing legal services.

7

SECTION 2. 196.137 (2) (as) of the statutes is created to read:

8

196.137 (2) (as) In connection with the foreclosure of real property, a lender or prospective purchaser.

10

SECTION 3. 196.137 (2) (cr) of the statutes is created to read:

11

196.137 (2) (cr) An owner of real property provided with municipal utility service or the owner's designated agent or representative.

12