

2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0613/P2ins  
EVM:sac:jf

1 INS-Analysis

2

This bill ~~also~~ allows an owner of a rental unit to request that a municipal utility terminate electric service to a rental dwelling unit if the tenant's utility charges are past due and the tenant has received certain notices.

This bill also permits or requires certain actions of a municipal utility, including the following:

A municipal utility must refuse to provide utility service to a person if that person is a tenant and the person has outstanding past-due charges for utility service from the municipal utility and must inform the owner of the rental unit of the past-due charges.

A municipal utility is not required to offer a customer a deferred payment agreement.

A municipal utility may adopt application, deposit, disconnection, or collection rules and practices that distinguish between customers based upon whether the customer is an owner or a lessee of the property receiving utility service.

3

4 INS 4-4

5

6 **SECTION 1.** 66.0809 (5) (b) (intro.) <sup>x</sup> of the statutes <sup>and 2.</sup> ~~is~~ <sup>are</sup> consolidated, renumbered  
7 66.0809 (5) (b) and amended to read:

8 66.0809 (5) (b) (intro.) If this subsection applies, a A municipal public utility  
9 may use sub. (3) to collect arrearages incurred after the owner of a rental dwelling  
10 unit has provided the utility with written notice under par. (a) ~~only~~ if the  
11 municipality complies with at least one of the following: ~~2.~~ ← no 9

History: 1999 a. 150 ss. 184, 186; 2007 a. 11.

12 **SECTION 2.** 66.0809 (5) (b) 2. of the statutes is consolidated, renumbered  
13 66.0809 (5) (b) and amended to read:

14 66.0809 (5) (b) In order to comply with this subdivision, if a customer who is  
15 a tenant has charges for water or electric service provided by the utility that are past

1 ~~due~~, the municipal public utility ~~shall serve~~ serves notice of the past-due charges on  
2 the owner of the rental dwelling unit within 14 days of the date on which the tenant's  
3 charges became past due. The municipal public utility shall serve notice in the  
4 manner provided in s. 801.14 (2).

History: 1999 a. 150 ss. 184, 186; 2007 a. 11.

5 **SECTION 3.** 66.0809 (5) (b) 1. of the statutes is repealed. ✕

6 **SECTION 4.** 66.0809 (5) (bm) of the statutes is created to read: ↑

7 66.0809 (5) (bm) 1. No earlier than 14 days after receiving a notice under sub.  
8 (5) (b) of a tenant's past-due charges for electric service, the owner of a rental unit  
9 may request that the municipal public utility terminate electric service to the rental  
10 dwelling unit.

11 2. Upon receipt of a request under subd. 1., the municipal public utility shall  
12 serve notice on the tenant that unless all past-due charges are paid within 14 days,  
13 electric service to the rental dwelling unit will be terminated. The municipal public  
14 utility shall serve notice in the manner provided in s. 801.14 (2). ✓

15 3. Unless all past-due charges are paid, the municipal utility shall terminate  
16 electric service to the rental dwelling unit 14 days after serving the notice under  
17 subd. 2.

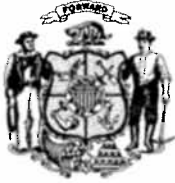
18 **SECTION 5.** 66.0809 (5) (c) of the statutes is amended to read: ✓

19 66.0809 (5) (c) A municipal public utility may demonstrate compliance with the  
20 notice requirements of par. (b) ~~1.~~ or ~~2.~~ (bm) by providing evidence of having sent the  
21 notice by U.S. mail.

History: 1999 a. 150 ss. 184, 186; 2007 a. 11.

22 **SECTION 6.** 66.0809 (6) of the statutes is created to read: ✓

23 66.0809 (6) If a person who has outstanding past-due charges for utility service  
24 from a municipal public utility requests utility service as a tenant at a rental



## 2013 BILL

*Insert JK  
on p2 and p6*

1 **AN ACT** *to renumber* 71.935 (2); *to renumber and amend* 66.0809 (3); *to*  
2 *amend* 66.0809 (5) (b) 1., 66.0809 (5) (d) and 71.935 (1) (cr); and *to create*  
3 66.0809 (3) (c), 66.0809 (6), 66.0809 (7), 66.0809 (8), 66.0809 (9) and 71.935 (2)  
4 (b) of the statutes; **relating to:** the collection and reporting by municipal  
5 electric or water utilities of certain utility arrearages on rental properties, and  
6 rules and practices of a municipal utility relating to certain customers.

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### ***Analysis by the Legislative Reference Bureau***

Under current law, a municipal utility may collect arrearages for utility service provided to lots or parcels of real estate by providing, on October 15, a written notice of payment due to the owner or occupant of the real estate. The notice must specify the amount of the arrearage and any penalty and must state the following: 1) that, if payment is not received by November 1, an additional penalty will be assessed; and 2) that, if payment is not received by November 15, the arrearage amount and any penalties will become a lien on the property that will be collected as a tax on the property.

Also under current law, if a municipal utility provides electric or water service to a rental dwelling unit, the municipal utility may use the arrearage collection procedure described above only if the municipal utility follows certain additional procedures for notifying both the owner and the tenant about any payments that are past due. In addition, the municipal utility may use the arrearage collection

**BILL**

procedure only if the owner of the rental property provides the municipal utility with written notification of the name and address of the owner, as well as of the tenant who is responsible for paying for the service. Finally, if requested by the municipal utility, the owner must provide the municipal utility with a copy of the rental or lease agreement in which the tenant assumes responsibility for payment of utility charges.

This bill provides that, if the municipal utility uses the arrearage collection procedure on a rental dwelling unit, the utility must report the arrearage and the name and last-known address of the tenant who incurred the past-due amounts on the consolidated court automation program case management system when the past-due amounts become a lien on the rental property.

The bill also permits a municipal utility that provides service to a tenant of a rental dwelling unit to collect a deposit from the tenant as a condition of receiving utility service and to adopt application, deposit, disconnection, and collection rules that distinguish between customers based upon whether the customer is a tenant or a property owner and whether the property is subject to a lien for utility arrearage.

Under current law, if any person owes a debt of at least \$20 to a county or municipality, and if the debt has been reduced to a judgment or the county or municipality has provided the debtor reasonable notice and an opportunity to be heard with regard to the debt, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the debtor. Under current law, for purposes of certifying debt to DOR, a "municipality" means any city, village, or town, and includes any entity providing consolidated services among cities, villages, and towns.

Under this bill, for purposes of collecting debts from tax refunds, a "municipality" includes a municipal utility. Under the bill, if a tenant owes a debt to a municipal utility, the municipal utility must certify the debt to DOR so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the tenant.

For further information see the *state and 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.** 66.0809 (3) of the statutes is renumbered 66.0809 (3) (a) and  
2 amended to read:

3           66.0809 (3) (a) Except as provided in subs. (4) and (5), on October 15 in each  
4 year notice shall be given to the owner or occupant of all lots or parcels of real estate  
5 to which utility service has been furnished prior to October 1 by a public utility

Amend  
A-JK

**BILL**

1 operated by a town, city or village and payment for which is owing and in arrears at  
2 the time of giving the notice. The department in charge of the utility shall furnish  
3 the treasurer with a list of the lots or parcels of real estate for which utility service  
4 charges are in arrears, and the notice shall be given by the treasurer, unless the  
5 governing body of the city, village or town authorizes notice to be given directly by  
6 the department. The notice shall be in writing and shall state the amount of arrears,  
7 including any penalty assessed pursuant to the rules of the utility; that unless the  
8 amount is paid by November 1 a penalty of 10 percent of the amount of arrears will  
9 be added; and that unless the arrears, with any added penalty, are paid by November  
10 15, the arrears and penalty will be levied as a tax against the lot or parcel of real  
11 estate to which utility service was furnished and for which payment is delinquent.  
12 The notice may be served by delivery to either the owner or occupant personally, or  
13 by letter addressed to the owner or occupant at the post-office address of the lot or  
14 parcel of real estate. On November 16 the officer or department issuing the notice  
15 shall certify and file with the clerk a list of all lots or parcels of real estate, giving the  
16 legal description, for which notice of arrears was given and for which arrears remain  
17 unpaid, stating the amount of arrears and penalty. Each delinquent amount,  
18 including the penalty, becomes a lien upon the lot or parcel of real estate to which the  
19 utility service was furnished and payment for which is delinquent, and the clerk  
20 shall insert the delinquent amount and penalty as a tax against the lot or parcel of  
21 real estate. All proceedings in relation to the collection of general property taxes and  
22 to the return and sale of property for delinquent taxes apply to the tax if it is not paid  
23 within the time required by law for payment of taxes upon real estate. Under

24 (b) Under this subsection, if an arrearage is for utility service furnished and  
25 metered by the utility directly to a manufactured home or mobile home unit in a

**BILL**

1 licensed manufactured and mobile home community, the notice shall be given to the  
2 owner of the manufactured home or mobile home unit and the delinquent amount  
3 becomes a lien on the manufactured home or mobile home unit rather than a lien on  
4 the parcel of real estate on which the manufactured home or mobile home unit is  
5 located. A lien on a manufactured home or mobile home unit may be enforced using  
6 the procedures under s. 779.48 (2). In this paragraph, "metered" means the use of  
7 any method to ascertain the amount of service used or the use of a flat rate billing  
8 method.

9 (d) This subsection does not apply to arrearages collected using the procedure  
10 under s. 66.0627. ~~In this subsection, "metered" means the use of any method to~~  
11 ~~ascertain the amount of service used or the use of a flat rate billing method.~~

12 **SECTION 2.** 66.0809 (3) (c) of the statutes is created to read:

13 66.0809 (3) (c) Under this subsection, if an arrearage is for utility service  
14 furnished to a rental dwelling unit and the utility is required to follow the procedures  
15 under sub. (5) (b) 1., the municipal public utility shall, when a county within which  
16 the dwelling unit is located maintains a case management system, report the  
17 arrearage and the name and the last-known address of the tenant who incurred the  
18 delinquent amounts on the consolidated court automation program case  
19 management system maintained by the director of state courts at the time the  
20 delinquent amount becomes a lien upon the lot or parcel of real estate to which the  
21 utility service was furnished.

22 **SECTION 3.** 66.0809 (5) (b) 1. of the statutes is amended to read:

23 66.0809 (5) (b) 1. In order to comply with this subdivision, a municipal public  
24 utility shall send bills for water or electric service to a customer who is a tenant in  
25 the tenant's own name. ~~Each time that a municipal public utility notifies a customer~~

**BILL**

1 ~~who is a tenant that charges for water or electric service provided by the utility to~~  
2 ~~the customer are past due for more than one billing cycle, the utility shall also serve~~  
3 ~~a copy of the notice on the owner of the rental dwelling unit in the manner provided~~  
4 ~~in s. 801.14 (2). If a customer who is a tenant vacates his or her rental dwelling unit,~~  
5 ~~and the owner of the rental dwelling unit provides the municipal public utility, no~~  
6 ~~later than 21 days after the date on which the tenant vacates the rental dwelling~~  
7 ~~unit, with a written notice that contains a forwarding address for the tenant and the~~  
8 ~~date that the tenant vacated the rental dwelling unit, the utility shall continue to~~  
9 ~~send past-due notices to the customer at his or her forwarding address until the~~  
10 ~~past-due charges are paid or until notice has been provided under sub. (3) (a).~~

11 **SECTION 4.** 66.0809 (5) (d) of the statutes is amended to read:

12 66.0809 (5) (d) If this subsection applies and a municipal public utility is  
13 permitted to collect arrearages under sub. (3), the municipal public utility shall  
14 provide all notices under sub. (3) (a) to the owner of the property.

15 **SECTION 5.** 66.0809 (6) of the statutes is created to read:

16 66.0809 (6) (a) A municipal utility that provides water or electric service to a  
17 customer who is a tenant of a rental dwelling unit may require the customer to pay  
18 a deposit equal to a reasonable estimate of the cost of water or electric service for the  
19 unit for two billing periods as a condition of receiving the service. A municipal utility  
20 shall place any deposit received under this subsection into a separate segregated  
21 account. A municipal utility is not required to pay interest on deposits received  
22 under this subsection. When the customer terminates water or electric service to the  
23 rental dwelling unit, the utility shall return the deposit, less any deduction for  
24 unpaid water or electric utility bills, to the customer within 21 days after the date  
25 that service in the customer's name is terminated to the dwelling unit.

**BILL**

1 (b) A municipal utility may discontinue water or electric service to a customer  
2 who fails to maintain with the municipal utility a deposit required under par. (a).

3 **SECTION 6.** 66.0809 (7) of the statutes is created to read:

4 66.0809 (7) A municipal utility is not required to offer a customer receiving  
5 water or electric service a deferred payment agreement.

6 **SECTION 7.** 66.0809 (8) of the statutes is created to read:

7 66.0809 (8) A municipal utility may require a customer or prospective customer  
8 to submit an application for water or electric service.

9 **SECTION 8.** 66.0809 (9) of the statutes is created to read:

10 66.0809 (9) A municipal utility may adopt application, deposit, disconnection,  
11 or collection rules and practices that distinguish between customers based upon  
12 whether the customer owns or leases the property receiving utility service and  
13 whether the property is subject to a lien under s. 66.0809 (3).

14 **SECTION 9.** 71.935 (1) (cr) of the statutes is amended to read:

15 71.935 (1) (cr) "Municipality" means any city, village, or town, and includes any  
16 entity formed pursuant to an intergovernmental cooperation contract or agreement  
17 under s. 66.0301 to provide consolidated services directly to cities, villages, and  
18 towns, and any municipal public utility.

19 **SECTION 10.** 71.935 (2) of the statutes is renumbered 71.935 (2) (a).

20 **SECTION 11.** 71.935 (2) (b) of the statutes is created to read:

21 71.935 (2) (b) If a tenant owes a debt to a municipal public utility that is subject  
22 to s. 66.0809 (3) and (5), the municipal public utility shall certify the debt to the  
23 department as provided in par. (a) so that the department may set off the debt against  
24 any refund owed to the tenant.

25 **SECTION 12. Initial applicability.**

*This is*

*insert 3-12 JK*



**BILL**

1           (1) The treatment of section 66.0809 (5) (b) 1. and (d) of the statutes, the  
2           renumbering and amendment of section 66.0809 (3) of the statutes, and the creation  
3           of section 66.0809 (3) (c) of the statutes first apply to arrearages incurred on the  
4           effective date of this subsection.

5

(END)

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0613/P2dn

EVM:sac:ff

- date -

ATTN: Robert Kovach

Please review the attached draft carefully to ensure that it is consistent with your intent. The following are several issues you may wish to consider in your review of this draft.

1. This draft retains the requirement that both the owner of a property and the utility customer receive a notice of arrearage under s. 66.0809 (3) (a). Please let me know if you want this changed.

2. This draft restores the material at s. 66.0809 (5) (a). Please let me know if you do not want this material retained.

3. Your redraft request included a request for changes to s. 196.37. I have, instead, created the change in s. 66.0809 (8). Please let me know if the created provision does not meet your intent.

4. Please review s. 66.0809 (5) <sup>a (bm)</sup> (c), as created in this draft, regarding a landlord's authority to request termination of electric utility service to a tenant. The treatment in this draft requires: 1) a past-due notice from the utility, 2) not less than 14 days later, a request for termination by the landlord, 3) an immediate notice of impending termination from the utility to the tenant, and 4) 14 days after providing notice, termination of electrical service. Please let me know if you want any changes to this procedure.

5. Please review s. 66.0809 (6), as created in this draft, to ensure the provision accomplishes your intent.

6. I have added an initial applicability provision to this draft. Please let me know if you need any changes to this provision.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "1" draft.

Eric V. Mueller  
Legislative Attorney  
Phone: (608) 261-7032  
E-mail: eric.mueller@legis.wisconsin.gov

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0613/P2dn  
EVM:sac:rs

April 2, 2013

ATTN: Robert Kovach

Please review the attached draft carefully to ensure that it is consistent with your intent. The following are several issues you may wish to consider in your review of this draft.

1. This draft retains the requirement that both the owner of a property and the utility customer receive a notice of arrearage under s. 66.0809 (3) (a). Please let me know if you want this changed.
2. This draft restores the material at s. 66.0809 (5) (a). Please let me know if you do not want this material retained.
3. Your redraft request included a request for changes to s. 196.37. I have, instead, created the change in s. 66.0809 (8). Please let me know if the created provision does not meet your intent.
4. Please review s. 66.0809 (5) (bm), as created in this draft, regarding a landlord's authority to request termination of electric utility service to a tenant. The treatment in this draft requires: 1) a past-due notice from the utility, 2) not less than 14 days later, a request for termination by the landlord, 3) an immediate notice of impending termination from the utility to the tenant, and 4) 14 days after providing notice, termination of electrical service. Please let me know if you want any changes to this procedure.
5. Please review s. 66.0809 (6), as created in this draft, to ensure the provision accomplishes your intent.
6. I have added an initial applicability provision to this draft. Please let me know if you need any changes to this provision.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Eric V. Mueller  
Legislative Attorney  
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State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0613/P2

EVM:sac:ts

D Note

RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

INSERTS

11 4/25/13

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1 **AN ACT** to repeal 66.0809 (5) (b) 1.; to renumber 71.935 (2); to renumber and  
 2 **amend** 66.0809 (3); to consolidate, renumber and amend 66.0809 (5) (b)  
 3 (intro.) and 2.; to amend 66.0809 (5) (c) and 71.935 (1) (cr); and to create  
 4 66.0809 (5) (bm), 66.0809 (6), 66.0809 (7), 66.0809 (8) and 71.935 (2) (b) of the  
 5 statutes; relating to: collection of certain utility arrearages by a municipal  
 6 utility and the provision of municipal utility service to tenants.

**Analysis by the Legislative Reference Bureau**

Under current law, if a municipal utility provides utility service to a property and payment for the service is in arrears, the utility may impose a lien on the property and have arrearages inserted as a tax on the property if the following procedure is followed. On October 15, the utility or county treasurer must provide the owner or occupant of the property with a written notice of payment due. The notice must specify the amount of the arrearage and any penalty and must state that: 1) if payment is not received by November 1, an additional penalty will be assessed; and 2) if payment is not received by November 15, the arrearage amount and any penalties will become a lien on the property that will be collected as a tax on the property. On November 16, the utility or treasurer must certify and file with the county clerk a list of all properties for which a notice of arrears was given and for which arrears remain unpaid. The delinquent amount then becomes a lien upon the property and the clerk must insert the delinquent amount and any penalties as a tax against the property.

INS-Analysis

Also under current law, if a municipal utility provides electric or water service to a rental dwelling unit and the owner of the rental property provides the utility with certain information, including the name and address of the tenant who is responsible for paying for utility service, the utility may use the arrearage collection procedure described above only if the utility follows certain additional procedures for notifying both the owner and the tenant about any payments that are past due.

This bill allows an owner of a rental unit to request that a municipal utility terminate electric service to a rental dwelling unit if the tenant's utility charges are past due and the tenant has received certain notices.

This bill also permits or requires certain actions of a municipal utility, including the following:

- \* 1) A municipal utility must refuse to provide utility service to a person if that person is a tenant and the person has outstanding past-due charges for utility service from the municipal utility and must inform the owner of the rental unit of the past-due charges.
- \* 2) A municipal utility is not required to offer a customer a deferred payment agreement.
- \* 4) A municipal utility may adopt application, deposit, disconnection, or collection rules and practices that distinguish between customers based upon whether the customer is an owner or a lessee of the property receiving utility service.

Under current law, if any person owes a debt of at least \$20 to a county or municipality, and if the debt has been reduced to a judgment or the county or municipality has provided the debtor reasonable notice and an opportunity to be heard with regard to the debt, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the debtor. Under current law, for purposes of certifying debt to DOR, a "municipality" means any city, village, or town, and includes any entity providing consolidated services among cities, villages, and towns.

Under this bill, for purposes of collecting debts from tax refunds, a "municipality" includes a municipal utility. Under the bill, if a tenant owes a debt to a municipal utility, the municipal utility must certify the debt to DOR so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the tenant.

For further information see the *state and 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. 66.0809 (3) of the statutes is renumbered 66.0809 (3) (a) and  
2 amended to read:

g) A municipal utility may collect a deposit from a tenant as a condition of receiving utility service.

1           66.0809 (3) (a) Except as provided in subs. (4) and (5), on October 15 in each year  
2 notice shall be given to the customer and the owner or occupant of all the lots or  
3 parcels of real estate to which utility service has been furnished prior to October 1  
4 by a public utility operated by a town, city, or village and payment for which is owing  
5 and in arrears at the time of giving the notice. The department in charge of the utility  
6 shall furnish the treasurer with a list of the lots or parcels of real estate for which  
7 utility service charges are in arrears, and the notice shall be given by the treasurer,  
8 unless the governing body of the city, village, or town authorizes notice to be given  
9 directly by the department. The notice shall be in writing and shall state the amount  
10 of arrears, including any penalty assessed pursuant to the rules of the utility; that  
11 unless the amount is paid by November 1 a penalty of 10 percent of the amount of  
12 arrears will be added; and that unless the arrears, with any added penalty, are paid  
13 by November 15, the arrears and penalty will be levied as a tax against the lot or  
14 parcel of real estate to which utility service was furnished and for which payment is  
15 delinquent. The notice may be served by delivery to the customer and either the  
16 owner or occupant personally, or by letter addressed to the customer and owner or  
17 occupant at the post-office address of the lot or parcel of real estate.

18           (b) On November 16, the officer or department issuing the notice shall certify  
19 and file with the clerk a list of all lots or parcels of real estate, giving the legal  
20 description, for which notice of arrears was given, <sup>under par. (a)</sup> and for which arrears remain  
21 unpaid, stating the amount of arrears and penalty. Each delinquent amount,  
22 including the penalty, becomes a lien upon the lot or parcel of real estate to which the  
23 utility service was furnished and payment for which is delinquent, and the clerk  
24 shall insert the delinquent amount and penalty as a tax against the lot or parcel of  
25 real estate.

1           (c) All proceedings in relation to the collection of general property taxes and to  
2 the return and sale of property for delinquent taxes apply to the tax <sup>under par. (b)</sup> if it is not paid  
3 within the time required by law for payment of taxes upon real estate.

4           (d) Under this subsection, if an arrearage is for utility service furnished and  
5 metered by the utility directly to a manufactured home or mobile home unit in a  
6 licensed manufactured and mobile home community, the notice <sup>to the owner or occupant</sup> shall be given to the  
7 owner of the manufactured home or mobile home unit and the delinquent amount  
8 becomes a lien on the manufactured home or mobile home unit rather than a lien on  
9 the parcel of real estate on which the manufactured home or mobile home unit is  
10 located. A lien on a manufactured home or mobile home unit may be enforced using  
11 the procedures under s. 779.48 (2).

12           (e) This subsection does not apply to arrearages collected using the procedure  
13 under s. 66.0627.

14           (f) In this subsection, “metered” means the use of any method to ascertain the  
15 amount of service used or the use of a flat rate billing method.

16           **SECTION 2.** 66.0809 (5) (b) (intro.) and 2. of the statutes are consolidated,  
17 renumbered 66.0809 (5) (b) and amended to read:

18           66.0809 (5) (b) ~~If this subsection applies, a~~ A municipal public utility may use  
19 sub. (3) to collect arrearages incurred after the owner of a rental dwelling unit has  
20 provided the utility with written notice under par. (a) ~~only if the municipality~~  
21 ~~complies with at least one of the following: 2. In order to comply with this~~  
22 ~~subdivision, if a customer who is a tenant has charges for water or electric service~~  
23 ~~provided by the utility that are past due, the municipal public utility shall serve~~  
24 serve notice of the past-due charges on the owner of the rental dwelling unit within

INS  
4-16

1 14 days of the date on which the tenant's charges became past due. The municipal  
2 public utility shall serve notice in the manner provided in s. 801.14 (2).

3 **SECTION 3.** 66.0809 (5) (b) 1. of the statutes is repealed.

4 **SECTION 4.** 66.0809 (5) (bm) of the statutes is created to read:

5 66.0809 (5) (bm) 1. No earlier than 14 days after receiving a notice under sub.  
6 (5) (b) of a tenant's past-due charges for electric service, the owner of a rental unit  
7 may request that the municipal public utility terminate electric service to the rental  
8 dwelling unit.

9 2. Upon receipt of a request under subd. 1., the municipal public utility shall  
10 serve notice on the tenant that unless all past-due charges are paid within 14 days,  
11 electric service to the rental dwelling unit will be terminated. The municipal public  
12 utility shall serve notice in the manner provided in s. 801.14 (2).

13 3. Unless all past-due charges are paid, the municipal utility shall terminate  
14 electric service to the rental dwelling unit 14 days after serving the notice under  
15 subd. 2.

16 **SECTION 5.** 66.0809 (5) (c) of the statutes is amended to read:

17 66.0809 (5) (c) A municipal public utility may demonstrate compliance with the  
18 notice requirements of par. (b) 1. or 2. (bm) by providing evidence of having sent the  
19 notice by U.S. mail.

20 **SECTION 6.** 66.0809 (6) of the statutes is created to read:

21 66.0809 (6) If a person who has outstanding past-due charges for utility service  
22 from a municipal public utility requests utility service as a tenant at a rental  
23 dwelling unit from that utility, the municipal public utility shall do all of the  
24 following:

25 1. Refuse to provide utility service to the person.

INS  
5-20-A  
5-20-B



1           2. Inform the owner of the rental dwelling unit that the person has outstanding  
2 past-due utility service charges.

3           **SECTION 7.** 66.0809 <sup>(9)</sup> ~~(7)~~ of the statutes is created to read:

4           66.0809 <sup>(9)</sup> ~~(7)~~ A municipal utility is not required to offer a customer a deferred  
5 payment agreement.

6           **SECTION 8.** 66.0809 <sup>(10)</sup> ~~(8)~~ of the statutes is created to read:

7           66.0809 <sup>(10)</sup> ~~(8)~~ A municipal utility may adopt application, deposit, disconnection,  
8 or collection rules and practices that distinguish between customers based upon  
9 whether the customer owns or leases the property receiving utility service.

10          **SECTION 9.** 71.935 (1) (cr) of the statutes is amended to read:

11          71.935 (1) (cr) "Municipality" means any city, village, or town, and includes any  
12 entity formed pursuant to an intergovernmental cooperation contract or agreement  
13 under s. 66.0301 to provide consolidated services directly to cities, villages, and  
14 towns, and any municipal public utility.

15          **SECTION 10.** 71.935 <sup>(2)</sup> (2) of the statutes is renumbered 71.935 (2) (a).

16          **SECTION 11.** 71.935 <sup>(2)</sup> (2) (b) of the statutes is created to read:

17          71.935 (2) (b) If a tenant owes a debt to a municipal public utility that is subject  
18 to s. 66.0809 (3) and (5), the municipal public utility shall certify the debt to the  
19 department as provided in par. (a) so that the department may set off the debt against  
20 any refund owed to the tenant.

21          **SECTION 12. Initial applicability.**

22          (1) The treatment of sections 66.0809 (3) and (5) (b) (intro.), 1., and 2. of the  
23 statutes first applies to arrearages incurred on the effective date of this subsection.

1

(2) The treatment of section 66.0809 (6) of the statutes first applies to a request

2

for utility service made on the effective date of this subsection.

3

(END)

(J Note)

INSERT

**BILL**

~~procedure only if the owner of the rental property provides the municipal utility with written notification of the name and address of the owner, as well as of the tenant who is responsible for paying for the service. Finally, if requested by the municipal utility, the owner must provide the municipal utility with a copy of the rental or lease agreement in which the tenant assumes responsibility for payment of utility charges.~~

~~This bill provides that, if the municipal utility uses the arrearage collection procedure <sup>for</sup> a rental dwelling unit, the utility must report the arrearage and the name and last-known address of the tenant who incurred the past-due amounts on the consolidated court automation program case management system when the past-due amounts become a lien on the rental property.~~

INS  
Analysis

~~The bill also permits a municipal utility that provides service to a tenant of a rental dwelling unit to collect a deposit from the tenant as a condition of receiving utility service and to adopt application, deposit, disconnection, and collection rules that distinguish between customers based upon whether the customer is a tenant or a property owner and whether the property is subject to a lien for utility arrearage.~~

~~Under current law, if any person owes a debt of at least \$20 to a county or municipality, and if the debt has been reduced to a judgment or the county or municipality has provided the debtor reasonable notice and an opportunity to be heard with regard to the debt, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the debtor. Under current law, for purposes of certifying debt to DOR, a "municipality" means any city, village, or town, and includes any entity providing consolidated services among cities, villages, and towns.~~

~~Under this bill, for purposes of collecting debts from tax refunds, a "municipality" includes a municipal utility. Under the bill, if a tenant owes a debt to a municipal utility, the municipal utility must certify the debt to DOR so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the tenant.~~

~~For further information see the *state and 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.** 66.0809 (3) of the statutes is renumbered 66.0809 (3) (a) and  
2 amended to read:  
3           **66.0809 (3) (a)** Except as provided in subs. (4) and (5), on October 15 in each  
4 year notice shall be given to the owner or occupant of all lots or parcels of real estate  
5 to which utility service has been furnished prior to October 1 by a public utility

**BILL**

1 licensed manufactured and mobile home community, the notice shall be given to the  
 2 owner of the manufactured home or mobile home unit and the delinquent amount  
 3 becomes a lien on the manufactured home or mobile home unit rather than a lien on  
 4 the parcel of real estate on which the manufactured home or mobile home unit is  
 5 located. A lien on a manufactured home or mobile home unit may be enforced using  
 6 the procedures under s. 779.48 (2). In this paragraph, "metered" means the use of  
 7 any method to ascertain the amount of service used or the use of a flat rate billing  
 8 method.

9 (d) This subsection does not apply to arrearages collected using the procedure  
 10 under s. 66.0627. ~~In this subsection, "metered" means the use of any method to~~  
 11 ~~ascertain the amount of service used or the use of a flat rate billing method.~~

INS  
416

12 **SECTION 2.** 66.0809 (3)(c) <sup>(dm)</sup> of the statutes is created to read:

13 66.0809 (3)(c) <sup>(dm)</sup> Under this subsection, if an arrearage is for utility service  
 14 furnished to a rental dwelling unit and the utility is required to follow the procedures  
 15 under sub. (5) (b) 1 <sup>Sub. (5) applies</sup> the municipal public utility shall, when a county within which  
 16 the dwelling unit is located maintains a case management system, report the  
 17 arrearage and the name and the last-known address of the tenant who incurred the  
 18 delinquent amounts on the consolidated court automation program case  
 19 management system maintained by the director of state courts at the time the  
 20 delinquent amount becomes a lien upon the lot or parcel of real estate to which the  
 21 utility service was furnished.

22 **SECTION 3.** 66.0809 (5) (b) 1. of the statutes is amended to read:

23 66.0809 (5) (b) 1. ~~In order to comply with this subdivision, a municipal public~~  
 24 ~~utility shall send bills for water or electric service to a customer who is a tenant in~~  
 25 ~~the tenant's own name. Each time that a municipal public utility notifies a customer~~

**BILL**

1 ~~who is a tenant that charges for water or electric service provided by the utility to~~  
2 ~~the customer are past due for more than one billing cycle, the utility shall also serve~~  
3 ~~a copy of the notice on the owner of the rental dwelling unit in the manner provided~~  
4 ~~in s. 801.14 (2). If a customer who is a tenant vacates his or her rental dwelling unit,~~  
5 ~~and the owner of the rental dwelling unit provides the municipal public utility, no~~  
6 ~~later than 21 days after the date on which the tenant vacates the rental dwelling~~  
7 ~~unit, with a written notice that contains a forwarding address for the tenant and the~~  
8 ~~date that the tenant vacated the rental dwelling unit, the utility shall continue to~~  
9 ~~send past-due notices to the customer at his or her forwarding address until the~~  
10 ~~past-due charges are paid or until notice has been provided under sub. (3) (a).~~

11 **SECTION 4.** 66.0809 (5) (d) of the statutes is amended to read:

12 66.0809 (5) (d) If this subsection applies and a municipal public utility is  
13 permitted to collect arrearages under sub. (3), the municipal public utility shall  
14 provide all notices under sub. (3) (a) to the owner of the property.

15 **SECTION 5.** 66.0809 (6) of the statutes is created to read:

16 66.0809 (6) (a) A municipal utility that provides water or electric service to a  
17 customer who is a tenant of a rental dwelling unit may require the customer to pay <sup>and maintain</sup>  
18 a deposit equal to a reasonable estimate of the cost of water or electric service for the  
19 unit for two billing periods as a condition of receiving the service. A municipal utility  
20 shall place any deposit received under this subsection into a separate segregated  
21 account. A municipal utility is not required to pay interest on deposits received  
22 under this subsection. When the customer terminates water or electric service to the  
23 rental dwelling unit, the utility shall return the deposit, less any deduction for  
24 unpaid water or electric utility bills, to the customer within 21 days after the date  
25 that service in the customer's name is terminated to the dwelling unit.

INS  
5-20

cld



**BILL**

1 (b) A municipal utility may discontinue water or electric service to a customer  
 2 who fails to maintain with the municipal utility a deposit <sup>in the amount</sup> required under par. (a).

3 ~~SECTION 6. 66.0809 (7) of the statutes is created to read:~~

4 ~~66.0809 (7) A municipal utility is not required to offer a customer receiving~~  
 5 ~~water or electric service a deferred payment agreement.~~

6 ~~SECTION 7. 66.0809 (8) of the statutes is created to read:~~

7 ~~66.0809 (8) A municipal utility may require a customer or prospective customer~~  
 8 ~~to submit an application for water or electric service.~~

9 ~~SECTION 8. 66.0809 (9) of the statutes is created to read:~~

10 ~~66.0809 (9) A municipal utility may adopt application, deposit, disconnection,~~  
 11 ~~or collection rules and practices that distinguish between customers based upon~~  
 12 ~~whether the customer owns or leases the property receiving utility service and~~  
 13 ~~whether the property is subject to a lien under s. 66.0809 (3).~~

14 ~~SECTION 9. 71.935 (1) (cr) of the statutes is amended to read:~~

15 ~~71.935 (1) (cr) "Municipality" means any city, village, or town, and includes any~~  
 16 ~~entity formed pursuant to an intergovernmental cooperation contract or agreement~~  
 17 ~~under s. 66.0301 to provide consolidated services directly to cities, villages, and~~  
 18 ~~towns, and any municipal public utility.~~

19 ~~SECTION 10. 71.935 (2) of the statutes is renumbered 71.935 (2) (a).~~

20 ~~SECTION 11. 71.935 (2) (b) of the statutes is created to read:~~

21 ~~71.935 (2) (b) If a tenant owes a debt to a municipal public utility that is subject~~  
 22 ~~to s. 66.0809 (3) and (5), the municipal public utility shall certify the debt to the~~  
 23 ~~department as provided in par. (a) so that the department may set off the debt against~~  
 24 ~~any refund owed to the tenant. The municipal public utility shall certify the debt no~~

1/11/10  
5-20-B

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0613/P3dn  
EVM:sac:rs

- date -

ATTN: Rob Kovach

LB: zero

Please review the attached draft carefully to ensure that it is consistent with your intent. The following is a list of the principal differences between 0613/P2 and 203/2 and an explanation of how this draft handles the differences:

1. 0613 requires that a notice of arrearage be provided to both the property owner and the customer. 0203 requires notice only to the owner. This draft follows the treatment in 0613.
2. 0203 requires certain arrearages be reported on CCAP. 0613 does not contain this provision. This draft follows the treatment in 0203.
3. 0613 repeals s. 66.0809 (5) (b) 1. 0203 retains a portion of 66.0809 (5) (b) 1. This draft follows the treatment in 0613.
4. 0613 permits a landlord to request termination of electric service to a tenant in certain circumstances. 0230 does not contain this provision. This draft follows the treatment in 0613.
5. 0203 authorizes a municipal utility to require a tenant to pay a deposit. 0613 does not contain this provision. This draft follows the treatment in 0203.
6. 0613 requires a municipal utility to take certain actions when certain persons who have outstanding past-due charges request utility service. 0203 does not contain this provision. This draft follows the treatment of 0613.
7. 0203 authorizes a municipal utility to require an application for service. 0613 does not contain this provision. This draft follows the treatment in 0203.

This draft also incorporates the two changes to the deposit authorization provision specified in the two emails from Ms. Julian.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Eric V. Mueller  
Legislative Attorney  
Phone: (608) 261-7032  
E-mail: eric.mueller@legis.wisconsin.gov

changes  
and eliminates the changes to the definition of municipality in  
S. 71.935(1)(cr) as

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0613/P3dn  
EVM:sac:ph

April 26, 2013

ATTN: Rob Kovach

Please review the attached draft carefully to ensure that it is consistent with your intent. The following is a list of the principal differences between 0613/P2 and 0203/2 and an explanation of how this draft handles the differences:

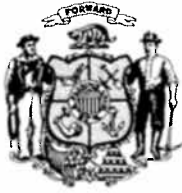
1. 0613 requires that a notice of arrearage be provided to both the property owner and the customer. 0203 requires notice only to the owner. This draft follows the treatment in 0613.
2. 0203 requires certain arrearages be reported on CCAP. 0613 does not contain this provision. This draft follows the treatment in 0203.
3. 0613 repeals s. 66.0809 (5) (b) 1. 0203 retains a portion of 66.0809 (5) (b) 1. This draft follows the treatment in 0613.
4. 0613 permits a landlord to request termination of electric service to a tenant in certain circumstances. 0230 does not contain this provision. This draft follows the treatment in 0613.
5. 0203 authorizes a municipal utility to require a tenant to pay a deposit. 0613 does not contain this provision. This draft follows the treatment in 0203.
6. 0613 requires a municipal utility to take certain actions when certain persons who have outstanding past-due charges request utility service. 0203 does not contain this provision. This draft follows the treatment of 0613.
7. 0203 authorizes a municipal utility to require an application for service. 0613 does not contain this provision. This draft follows the treatment in 0203.

This draft also incorporates the two changes to the deposit authorization provision and eliminates the changes to the definition of municipality in s. 71.935 (1) (cr) as specified in the two emails from Ms. Julian.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible “/1” draft.

Eric V. Mueller  
Legislative Attorney  
Phone: (608) 261-7032  
E-mail: eric.mueller@legis.wisconsin.gov





(Note)  
State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0613/P3  
EVM:sac:ph

(RMR)

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

(INSERTS)

(10/18/13)

(End of  
Mar 10/21)

(repeal)

1 **AN ACT** *to repeal* 66.0809 (5) (b) 1.; *to renumber* 71.935 (2); *to renumber and*  
 2 *amend* 66.0809 (3); *to consolidate, renumber and amend* 66.0809 (5) (b)  
 3 (intro.) and 2.; *to amend* 66.0809 (5) (c); and *to create* 66.0809 (3) (dm),  
 4 66.0809 (5) (bm), 66.0809 (6), 66.0809 (7), 66.0809 (8), 66.0809 (9), 66.0809 (10)  
 5 and 71.935 (2) (b) of the statutes; **relating to:** collection of certain utility  
 6 arrearages by a municipal utility and the provision of municipal utility service  
 7 to tenants.

***Analysis by the Legislative Reference Bureau***

Under current law, if a municipal utility provides utility service to a property and payment for the service is in arrears, the utility may impose a lien on the property and have arrearages inserted as a tax on the property if the following procedure is followed. On October 15, the utility or county treasurer must provide the owner or occupant of the property with a written notice of payment due. The notice must specify the amount of the arrearage and any penalty and must state that: 1) if payment is not received by November 1, an additional penalty will be assessed; and 2) if payment is not received by November 15, the arrearage amount and any penalties will become a lien on the property that will be collected as a tax on the property. On November 16, the utility or treasurer must certify and file with the county clerk a list of all properties for which a notice of arrears was given and for

*NIS Analysis*  
which arrears remain unpaid. The delinquent amount then becomes a lien upon the property and the clerk must insert the delinquent amount and any penalties as a tax against the property.

This bill provides that, if the municipal utility uses the arrearage collection procedure for a rental dwelling unit, the utility must report the arrearage and the name and last-known address of the tenant who incurred the past-due amounts on the consolidated court automation program case management system when the past-due amounts become a lien on the rental property.

Also under current law, if a municipal utility provides electric or water service to a rental dwelling unit and the owner of the rental property provides the utility with certain information, including the name and address of the tenant who is responsible for paying for utility service, the utility may use the arrearage collection procedure described above only if the utility follows certain additional procedures for notifying both the owner and the tenant about any payments that are past due.

This bill allows an owner of a rental unit to request that a municipal utility terminate electric service to a rental dwelling unit if the tenant's utility charges are past due and the tenant has received certain notices.

This bill also permits or requires certain actions of a municipal utility, including the following:

1) A municipal utility must refuse to provide utility service to a person if that person is a tenant and the person has outstanding past-due charges for utility service from the municipal utility, and must inform the owner of the rental unit of the past-due charges.

2) A municipal utility is not required to offer a customer a deferred payment agreement.

3) A municipal utility may collect a deposit from a tenant as a condition of receiving utility service.

4) A municipal utility may adopt application, deposit, disconnection, or collection rules and practices that distinguish between customers based upon whether the customer is an owner or a lessee of the property receiving utility service.

Under current law, if any person owes a debt of at least \$20 to a county or municipality, and if the debt has been reduced to a judgment or the county or municipality has provided the debtor reasonable notice and an opportunity to be heard with regard to the debt, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the debtor. Under current law, for purposes of certifying debt to DOR, a "municipality" means any city, village, or town, and includes any entity providing consolidated services among cities, villages, and towns.

Under this bill, for purposes of collecting debts from tax refunds, a "municipality" includes a municipal utility. Under the bill, if a tenant owes a debt to a municipal utility, the municipal utility must certify the debt to DOR so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the tenant.

For further information see the *state and 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. 66.0809 (3) of the statutes is renumbered 66.0809 (3) (a) and  
2 amended to read:

3           66.0809 (3) (a) Except as provided in subs. (4) and (5), on October 15 in each year  
4 notice shall be given to the customer and the owner or occupant of all the lots or  
5 parcels of real estate to which utility service has been furnished prior to October 1  
6 by a public utility operated by a town, city, or village and payment for which is owing  
7 and in arrears at the time of giving the notice. The department in charge of the utility  
8 shall furnish the treasurer with a list of the lots or parcels of real estate for which  
9 utility service charges are in arrears, and the notice shall be given by the treasurer,  
10 unless the governing body of the city, village, or town authorizes notice to be given  
11 directly by the department. The notice shall be in writing and shall state the amount  
12 of arrears, including any penalty assessed pursuant to the rules of the utility; that  
13 unless the amount is paid by November 1 a penalty of 10 percent of the amount of  
14 arrears will be added; and that unless the arrears, with any added penalty, are paid  
15 by November 15, the arrears and penalty will be levied as a tax against the lot or  
16 parcel of real estate to which utility service was furnished and for which payment is  
17 delinquent. The notice may be served by delivery to the customer and either the  
18 owner or occupant personally, or by letter addressed to the customer and owner or  
19 occupant at the post-office address of the lot or parcel of real estate.

20           (b) On November 16, the officer or department issuing the notice shall certify  
21 and file with the clerk a list of all lots or parcels of real estate, giving the legal

1 description, for which notice of arrears was given under par. (a) and for which arrears  
2 remain unpaid, stating the amount of arrears and penalty. Each delinquent amount,  
3 including the penalty, becomes a lien upon the lot or parcel of real estate to which the  
4 utility service was furnished and payment for which is delinquent, and the clerk  
5 shall insert the delinquent amount and penalty as a tax against the lot or parcel of  
6 real estate.

7 (c) All proceedings in relation to the collection of general property taxes and to  
8 the return and sale of property for delinquent taxes apply to the tax under par. (b)  
9 if it is not paid within the time required by law for payment of taxes upon real estate.

10 (d) Under this subsection, if an arrearage is for utility service furnished and  
11 metered by the utility directly to a manufactured home or mobile home unit in a  
12 licensed manufactured and mobile home community, the notice to the owner or  
13 occupant shall be given to the owner of the manufactured home or mobile home unit  
14 and the delinquent amount becomes a lien on the manufactured home or mobile  
15 home unit rather than a lien on the parcel of real estate on which the manufactured  
16 home or mobile home unit is located. A lien on a manufactured home or mobile home  
17 unit may be enforced using the procedures under s. 779.48 (2).

18 (e) This subsection does not apply to arrearages collected using the procedure  
19 under s. 66.0627.

20 (f) In this subsection, "metered" means the use of any method to ascertain the  
21 amount of service used or the use of a flat rate billing method.

22 **SECTION 2.** 66.0809 (3) (dm) of the statutes is created to read:

23 66.0809 (3) (dm) Under this subsection, if an arrearage is for utility service  
24 furnished to a rental dwelling unit and sub. (5) applies, the municipal public utility  
25 shall, when a county within which the dwelling unit is located maintains a case

1 management system, report the arrearage and the name and the last-known  
2 address of the tenant who incurred the delinquent amounts on the consolidated court  
3 automation program case management system maintained by the director of state  
4 courts at the time the delinquent amount becomes a lien upon the lot or parcel of real  
5 estate to which the utility service was furnished.

6 **SECTION 3.** 66.0809 (5) (b) (intro.) and 2. of the statutes are consolidated,  
7 renumbered 66.0809 (5) (b) and amended to read:

8 66.0809 (5) (b) ~~If this subsection applies, a~~ A municipal public utility may use ~~sub. (3) to collect arrearages incurred after the owner of a rental dwelling unit has~~  
9 ~~provided the utility with written notice under par. (a) only if the municipality~~  
10 ~~complies with at least one of the following: 2. In order to comply with this~~  
11 ~~subdivision, if a customer who is a tenant has charges for water or electric service~~  
12 ~~provided by the utility that are past due, the municipal public utility shall serve~~  
13 serve notice of the past-due charges on the owner of the rental dwelling unit within  
14 14 days of the date on which the tenant's charges became past due. The municipal  
15 public utility shall serve notice in the manner provided in s. 801.14 (2).

16  
17 **SECTION 4.** 66.0809 (5) (b) 1. of the statutes is repealed.

18 **SECTION 5.** 66.0809 (5) (bm) of the statutes is created to read:

19 66.0809 (5) (bm) 1. No earlier than 14 days after receiving a notice under sub.  
20 (5) (b) of a tenant's past-due charges for electric service, the owner of a rental unit  
21 may request that the municipal public utility terminate electric service to the rental  
22 dwelling unit.

23 2. Upon receipt of a request under subd. 1., the municipal public utility shall  
24 serve notice on the tenant that unless all past-due charges are paid within ~~14~~ 10 days,

*Except as provided under rules of the public service commission prohibiting disconnections during cold weather periods, unless*

1 electric service to the rental dwelling unit will be terminated. The municipal public  
2 utility shall serve notice in the manner provided in s. 801.14 (2).

3 3. Unless all past-due charges are paid, the municipal utility shall terminate  
4 electric service to the rental dwelling unit <sup>within</sup> 14 days after serving the notice under  
5 subd. 2.

6 SECTION 6. 66.0809 (5) (c) of the statutes is amended to read:

7 66.0809 (5) (c) A municipal public utility may demonstrate compliance with the  
8 notice requirements of par. (b) ~~1.~~ or ~~2.~~ (bm) by providing evidence of having sent the  
9 notice by U.S. mail.

10 SECTION 7. 66.0809 (6) of the statutes is created to read:

11 66.0809 (6) (a) A municipal utility that provides water or electric service to a  
12 customer who is a tenant of a rental dwelling unit may require the customer to pay  
13 and maintain a deposit equal to a reasonable estimate of the cost of water or electric  
14 service for the unit for two billing periods as a condition of receiving the service. A  
15 municipal utility shall place any deposit received under this subsection into a  
16 separate segregated account. A municipal utility is not required to pay interest on  
17 deposits received under this subsection. When the customer terminates water or  
18 electric service to the rental dwelling unit, the utility shall return the deposit, less  
19 any deduction for unpaid water or electric utility bills, to the customer within 21 days  
20 after the date that service in the customer's name is terminated to the dwelling unit.

21 (b) ~~A~~ municipal utility may discontinue water or electric service to a customer  
22 who fails to maintain with the municipal utility a deposit in the amount required  
23 under par. (a).

24 SECTION 8. 66.0809 (7) of the statutes is created to read:

*Except as provided under rules of the public service commission prohibiting disconnections during cold weather periods, a*

INS  
6-9

1           66.0809 (7) A municipal utility may require a customer or prospective customer  
2 to submit an application for water or electric service.

3           **SECTION 9.** 66.0809 (8) of the statutes is created to read:

4           66.0809 (8) If a person who has outstanding past-due charges for utility service  
5 from a municipal public utility requests utility service as a tenant at a rental  
6 dwelling unit from that utility, the municipal public utility shall do all of the  
7 following:

- 8           (1) Refuse to provide utility service to the person. *until the outstanding past-due service charges are paid*
- 9           (2) Inform the owner of the rental dwelling unit that the person has outstanding  
10 past-due utility service charges.

11           **SECTION 10.** 66.0809 (9) of the statutes is created to read:

12           66.0809 (9) A municipal utility is not required to offer a customer a deferred  
13 payment agreement.

14           **SECTION 11.** 66.0809 (10) of the statutes is created to read:

15           66.0809 (10) A municipal utility may adopt application, deposit, disconnection,  
16 or collection rules and practices that distinguish between customers based upon  
17 whether the customer owns or leases the property receiving utility service.

18           **SECTION 12.** 71.935 (2) of the statutes is renumbered 71.935 (2) (a).

19           **SECTION 13.** 71.935 (2) (b) of the statutes is created to read:

20           71.935 (2) (b) If a tenant owes a debt to a municipal public utility that is subject  
21 to s. 66.0809 (3) and (5), the municipal public utility shall certify the debt to the  
22 department as provided in par. (a) so that the department may set off the debt against  
23 any refund owed to the tenant.

(INS  
7-23)

**SECTION 14. Initial applicability.**

*create A.R. "Bug"*

1            196.137 (2) (cm) An owner of a rental dwelling unit to whom the municipal  
2 utility provides notice of ~~past-due charges pursuant to~~ customer information under  
3 s. 66.0809 (5).

4 **History:** 2013 a. 25.

5            INS 8-4

6

7            **SECTION 3. Effective date.**

8            (1) The treatment of section 66.0809 (3) and (5) (b) <sup>€</sup>intro.), 1., and 2. of the  
9 statutes and SECTION 14 (1) of this act takes effect on the 1st day of the 6th month  
10 beginning after publication.

*use A.R. "title"*  
*use A.R. "By"*



1

2

INS Analysis

3

and files a lien on the property, the clerk of courts must indicate in the lien docket that both the owner and the tenant are persons who have not satisfied the lien. If the lien is satisfied, the clerk of courts must indicate in the lien docket that the owner has satisfied the lien. The clerk of courts must also indicate in the lien docket that the tenant has satisfied the lien if any of the following applies: 1) if the municipality receives payments from the tenant in an amount equal to the amount paid by the owner to satisfy the lien, the municipality provides a statement to the clerk of courts that the tenant has satisfied the lien, or 2) if the owner has satisfied the lien, the owner provides a statement to the clerk of courts that the tenant has satisfied the lien.

4

5

INS 5-5

6

7

SECTION 1. 66.0809 (3m) of the statutes is created to read:

8

66.0809 (3m) (a) If sub. (5) applies and a lien under sub. (3) (b) is filed, the clerk

9

of courts shall indicate in the lien docket the owner and the tenant of the rental dwelling unit as persons who have not satisfied the lien.

11

(b) The municipality may accept from the tenant payment toward the amount of the lien. If the lien has been satisfied by the owner, the utility shall reimburse the owner the amounts it receives from the tenant.

14

(c) If the lien is satisfied, the clerk of courts shall indicate in the lien docket that

15

the owner has satisfied the lien. If the lien is satisfied by the owner, the owner shall

16

provide a statement to the clerk <sup>or of</sup> of courts stating whether the tenant has satisfied

17

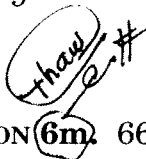
the lien.

1 (d) The clerk of courts shall indicate in the lien docket that the tenant has  
2 satisfied the lien if any of the following applies:

3 1. The tenant has paid the municipality under par. (b) an amount equal to the  
4 amount paid by the owner to satisfy the lien, in which case the municipality shall  
5 provide a statement to the clerk of courts that the tenant has satisfied the lien.

6 2. An owner that has satisfied the lien under par. (c) files a statement with the  
7 clerk of courts that the tenant has satisfied the lien.

8  
9 INS 6-9



10  
11 SECTION ~~(6m)~~ 66.0809 (5) (d) of the statutes is amended to read:

12 66.0809 (5) (d) If this subsection applies and a municipal public utility is  
13 permitted to collect arrearages under sub. (3), the municipal public utility shall  
14 provide all notices under sub. (3) to the tenant and to the owner of the property or  
15 a person designated by the owner.

16 **History:** 1999 a. 150 ss. 184, 186; 2007 a. 11.

17  
18 INS 7-23

19  
20 SECTION 2. 196.137 (2) (cm) of the statutes, as created by 2013 Wisconsin Act  
21 25, is amended to read:

create A.R. "title"

1

(1) The treatment of sections ~~66.0809~~ (3) and (5) (b) (intro.), 1., and 2. of the statutes first applies to arrearages incurred on the effective date of this subsection.

2

3

~~(2)~~ <sup>(3)</sup> The treatment of section 66.0809 (8) of the statutes first applies to a request for utility service made on the effective date of this subsection.

4

5

(END)

<sup>(2)</sup>  
(2) The treatment of section 66.0809 (3a) of the statutes first applies to liens filed on the effective date of this subsection.

INS  
8-4

3 Note

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

**Comment [LJK1]:** Comments from Lawrie Kobza, MEG-Water Legal Counsel

**SECTION 1.** 66.0809 (3) of the statutes is renumbered 66.0809 (3) (a) through (f) and amended to read:

66.0809 (3) (a) Except as provided in subs. (4) and (5), on October 15 in each year notice shall be given to ~~the customer and~~ the owner or occupant of all the lots or parcels of real estate to which utility service has been furnished prior to October 1 by a public utility operated by a town, city, or village and payment for which is owing and in arrears at the time of giving the notice. The department in charge of the utility shall furnish the treasurer with a list of the lots or parcels of real estate for which utility service charges are in arrears, and the notice shall be given by the treasurer, unless the governing body of the city, village, or town authorizes notice to be given directly by the department. The notice shall be in writing and shall state the amount of arrears, including any penalty assessed pursuant to the rules of the utility; that unless the amount is paid by November 1 a penalty of 10 percent of the amount of arrears will be added; and that unless the arrears, with any added penalty, are paid by November 15, the arrears and penalty will be levied as a tax against the lot or parcel of real estate to which utility service was furnished and for which payment is delinquent. The notice may be served by delivery to ~~the customer and~~ either the owner or occupant personally, or by letter addressed to the ~~customer and~~ owner or occupant at the post-office address of the lot or parcel of real estate.

**Comment [LJK2]:** Remove proposed revision. Address by changing sec. 66.0809(3)(d) instead. See new Section 6A below.

**Comment [LJK3]:** See comment above

(b) On November 16, the officer or department issuing the notice shall certify and file with the clerk a list of all lots or parcels of real estate, giving the legal description, for which notice of arrears was given under par. (a) and for which arrears remain unpaid,

stating the amount of arrears and penalty. Each delinquent amount, including the penalty, becomes a lien upon the lot or parcel of real estate to which the utility service was furnished and payment for which is delinquent, and the clerk shall insert the delinquent amount and penalty as a tax against the lot or parcel of real estate.

(c) All proceedings in relation to the collection of general property taxes and to the return and sale of property for delinquent taxes apply to the tax under par. (b) if it is not paid within the time required by law for payment of taxes upon real estate.

(d) Under this subsection, if an arrearage is for utility service furnished and metered by the utility directly to a manufactured home or mobile home unit in a licensed manufactured and mobile home community, the notice ~~to the owner or occupant~~ shall be given to the owner of the manufactured home or mobile home unit and the delinquent amount becomes a lien on the manufactured home or mobile home unit rather than a lien on the parcel of real estate on which the manufactured home or mobile home unit is located. A lien on a manufactured home or mobile home unit may be enforced using the procedures under s. 779.48 (2).

Comment [LJK4]: See comment above

(e) This subsection does not apply to arrearages collected using the procedure under s. 66.0627.

(f) In this subsection, "metered" means the use of any method to ascertain the amount of service used or the use of a flat rate billing method.

**SECTION 2.** 66.0809 (3) (dm) of the statutes is created to read:

~~66.0809 (3) (dm) Under this subsection, if an arrearage is for utility service furnished to a rental dwelling unit and sub. (5) applies, the municipal public utility shall,~~

- lien against "name" of consumer of service  
- if util. pd. by owner, util. reimburses owner upon payment by tenant

when a county within which the dwelling unit is located maintains a case management system, report the arrearage and the name and the last-known address of the tenant who incurred the delinquent amounts on the consolidated court automation program case management system maintained by the director of state courts at the time the delinquent amount becomes a lien upon the lot or parcel of real estate to which the utility service was furnished.

or at the time the bill is pd and landlord requests if he put on escrow taken off when tenant pays bill?

SECTION 3. 66.0809 (5) (b) (intro.) and 2. of the statutes are consolidated, renumbered 66.0809 (5) (b) and amended to read:

**Comment [LJK5]:**  
1. Would like to discuss the mechanics of adding names to CCAP with the administrator of the system.  
2. Would like to add a limitation of municipal liability for information added to CCAP, perhaps in sec. 893.80. Could be similar to exemption in sec. 893.80(7).  
3. How would names be removed from CCAP once the delinquency is paid? Municipality will not know when tenant has reimbursed the landlord.

66.0809 (5) (b) ~~If this subsection applies, a~~ A municipal public utility may use sub. (3) to collect arrearages incurred after the owner of a rental dwelling unit has provided the utility with written notice under par. (a) ~~only if the municipality complies with at least one of the following:~~ 2. ~~In order to comply with this subdivision, if a customer who is a tenant has charges for water or electric service provided by the utility that are past due, the municipal public utility shall serve~~ serve notice of the past-due charges on the owner of the rental dwelling unit within 14 days of the date on which the tenant's charges became past due. The municipal public utility shall serve notice in the manner provided in s. 801.14 (2).

**Comment [LJK6]:**  
1. Would like to discuss MEUW's request to extend the 14 days to 21 days

SECTION 4. 66.0809 (5) (b) 1. of the statutes is repealed.

SECTION 5. 66.0809 (5) (bm) of the statutes is created to read:

no change

66.0809 (5) (bm) 1. No earlier than ~~14~~ 14 days after receiving a notice under sub. (5)

(b) of a tenant's past-due charges for electric service, the owner of a rental unit may

bring in reference to cold weather moratorium - will take precedent

request that the municipal public utility terminate electric service to the rental dwelling unit.

2. Upon receipt of a request under subd. 1., the municipal public utility shall serve notice on the tenant that unless all past-due charges are paid within 10-14 days, electric service to the rental dwelling unit will be terminated. The municipal public utility shall serve notice in the manner provided in s. 801.14 (2).

**Comment [LJK7]:** Should this be 10 days in order to be consistent with PSC 113.0301(10)(a)?

3. Unless all past-due charges are paid, the municipal utility shall terminate electric service to the rental dwelling unit within 14 days after serving the notice under subd. 2.

**Comment [LJK8]:** Combined with the change suggested above, this would give the municipality a couple of days to disconnect if the past-due bill is not paid.

**SECTION 6.** 66.0809 (5) (c) of the statutes is amended to read:

66.0809 (5) (c) A municipal public utility may demonstrate compliance with the notice requirements of par. (b) ~~1.~~ or 2.-(bm) by providing evidence of having sent the notice by U.S. mail.

**Comment [LJK9]:** How would the PSC's moratorium on cold weather disconnections (PSC 113.0304) be effected? Would this statutory provision override the moratorium contained in administrative rule?

**SECTION 6A.** 66.0809(5)(d) of the statutes is amended to read:

66.0809(5)(d) If this subsection applies and a municipal public utility is permitted to collect arrearages under sub. (3), the municipal public utility shall provide all notices under sub. (3) to both the tenant who is the customer who incurred the arrearages and the owner of the property. *or owners agent or designee*

**Comment [LJK10]:** This is a new section to address the notice issue originally included in Section 1 above. The notice requirement would be addressed in sec. (5). If sec. (5) applies, notices must also be provided to the tenant/customer.

**SECTION 7.** 66.0809 (6) of the statutes is created to read:

66.0809 (6) (a) A municipal utility that provides water or electric service to a customer who is a tenant of a rental dwelling unit may require the customer to pay and maintain a deposit equal to a reasonable estimate of the cost of water or electric service

for the unit for two billing periods as a condition of receiving the service. A municipal utility shall place any deposit received under this subsection into a separate segregated account. A municipal utility is not required to pay interest on deposits received under this subsection. When the customer terminates water or electric service to the rental dwelling unit, the utility shall return the deposit, less any deduction for unpaid water or electric utility bills, to the customer within 21 days after the date that service in the customer's name is terminated to the dwelling unit.

(b) A municipal utility may discontinue water or electric service to a customer who fails to maintain with the municipal utility a deposit in the amount required under par. (a).

**SECTION 8.** 66.0809 (7) of the statutes is created to read:

66.0809 (7) A municipal utility may require a customer or prospective customer to submit an application for water or electric service.

**SECTION 9.** 66.0809 (8) of the statutes is created to read:

66.0809 (8) If a person who has outstanding past-due charges for utility service from a municipal public utility requests utility service as a tenant at a rental dwelling unit from that utility, and sub. (5) applies, the municipal public utility shall do all of the following:

1. Refuse to provide utility service to the person until the outstanding past-due charges are paid.

2. Inform the owner of the rental dwelling unit that the person has outstanding past-due utility service charges.

*make charges*

**Comment [LJK11]:** It is important to tie this provision to sub. (5) which is the process that gives the utility notice that this is a landlord/tenant situation and the tenant is responsible for the bill.

*2013 Wis Act 25*



**SECTION 10.** 66.0809 (9) of the statutes is created to read:

66.0809 (9) A municipal utility is not required to offer a customer a deferred payment agreement.

**SECTION 11.** 66.0809 (10) of the statutes is created to read:

66.0809 (10) A municipal utility may adopt application, deposit, disconnection, or collection rules and practices that distinguish between customers based upon whether the customer owns or leases the property receiving utility service.

**SECTION 12.** 71.935 (2) of the statutes is renumbered 71.935 (2) (a).

**SECTION 13.** 71.935 (2) (b) of the statutes is created to read:

71.935 (2) (b) If a tenant owes a debt to a municipal public utility that is subject to s. 66.0809 (3) and (5), the municipal public utility shall certify the debt to the department as provided in par. (a) so that the department may set off the debt against any refund owed to the tenant.

**Comment [LJK12]:**  
1. Would like to discuss what happens under TRIP if the landlord pays the bill?

**SECTION 14. Initial applicability.**

*to mos. sunrise*

(1) The treatment of sections 66.0809 (3) and (5) (b) (intro.), 1., and 2. of the statutes first applies to arrearages incurred on the effective date of this subsection.

**Comment [LJK13]:** Need time for implementation

(2) The treatment of section 66.0809 (8) of the statutes first applies to a request for utility service made on the effective date of this subsection.

(END)

*first change*

*effective date  
6 months*

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0613/P4dn

EVM:sac:ph

- date -

ATTN: Rob Kovach

Please review the attached draft carefully to ensure that it is consistent with your intent. The following are several issues you may wish to consider in your review of this draft.

X 1. Please review s. 66.0890 (3m), as created in this draft. I have attempted to provide you with a lien provision that accomplishes what I believe is your intent - to officially indicate that there is a responsible party other than the person whose property is subject to a lien. However, because there is no property of the tenant's that is subject to a lien, I do not believe it can correctly be termed a lien against the tenant. The procedure created in this draft does not affect the property lien against the owner's property. It does, however, require the clerk of courts to indicate in the lien docket whether the tenant has or has not satisfied the lien. The indication that the tenant has not satisfied the lien is changed only when the clerk of courts receives a notification from either the municipality or the owner that the tenant has "satisfied the lien." Do you want to provide a procedure for having the indication of "not satisfied" removed from the lien docket when the utility and owner will not or can not provide the necessary statement? Also, because my familiarity with lien law and court operations is limited, you may wish to have someone familiar with court operations review this provision to ensure it will have the effect you intend. Please let me know if you want any changes to this provision.

2. I omitted the change indicated at s. 66.0809 (8). It does not appear likely that it will always, or even usually, be known whether sub. (5) applies at the time a request for connection is made. Is there a different triggering mechanism you would like to include?

3. Please review the language regarding PSC's cold weather moratorium at s. 66.0809 (5) bm. 3. and (6) (b). Administrative code sections are generally not included in the statutes because the numbering and content may be changed without the legislature's approval. I have attempted to describe the program to which you are deferring. Please let me know if you want any changes to these provisions.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Eric V. Mueller  
Legislative Attorney  
Phone: (608) 261-7032  
E-mail: eric.mueller@legis.wisconsin.gov

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0613/P4dn  
EVM:sac:sac

October 21, 2013

ATTN: Rob Kovach

Please review the attached draft carefully to ensure that it is consistent with your intent. The following are several issues you may wish to consider in your review of this draft.

1. Please review s. 66.0809 (3m), as created in this draft. I have attempted to provide you with a lien provision that accomplishes what I believe is your intent – to officially indicate that there is a responsible party other than the person whose property is subject to a lien. However, because there is no property of the tenant's that is subject to a lien, I do not believe it can correctly be termed a lien against the tenant. The procedure created in this draft does not affect the property lien against the owner's property. It does, however, require the clerk of courts to indicate in the lien docket whether the tenant has or has not satisfied the lien. The indication that the tenant has not satisfied the lien is changed only when the clerk of courts receives a notification from either the municipality or the owner that the tenant has "satisfied the lien." Do you want to provide a procedure for having the indication of "not satisfied" removed from the lien docket when the utility and owner will not or can not provide the necessary statement? Also, because my familiarity with lien law and court operations is limited, you may wish to have someone familiar with court operations review this provision to ensure it will have the effect you intend. Please let me know if you want any changes to this provision.

2. I omitted the change indicated at s. 66.0809 (8). It does not appear likely that it will always, or even usually, be known whether sub. (5) applies at the time a request for connection is made. Is there a different triggering mechanism you would like to include?

3. Please review the language regarding PSC's cold weather moratorium at s. 66.0809 (5) bm. 3. and (6) (b). Administrative code sections are generally not included in the statutes because the numbering and content may be changed without the legislature's approval. I have attempted to describe the program to which you are deferring. Please let me know if you want any changes to these provisions.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Eric V. Mueller  
Legislative Attorney  
Phone: (608) 261-7032  
E-mail: eric.mueller@legis.wisconsin.gov

*This page is the instructions for PS. It is not part of the draft itself.*

*notice of appearance under (3)(b)*

1 SECTION 2. 66.0809 (3m) of the statutes is created to read:

2 66.0809 (3m) (a) If sub. (5) applies and a lien under sub. (3) (b) is filed, the clerk  
3 of courts shall indicate in the lien docket the owner and the tenant of the rental  
4 dwelling unit as persons who have not satisfied the lien.

5 (b) The municipality may accept from the tenant payment toward the amount  
6 of the lien. If the lien has been satisfied by the owner, the utility shall reimburse the  
7 owner the amounts it receives from the tenant.

8 (c) If the lien is satisfied, the clerk of courts shall indicate in the lien docket that  
9 the owner has satisfied the lien. If the lien is satisfied by the owner, the owner shall  
10 provide a statement to the clerk of courts stating whether the tenant has satisfied  
11 the lien.

12 (d) The clerk of courts shall indicate in the lien docket that the tenant has  
13 satisfied the lien if any of the following applies:

14 1. The tenant has paid the municipality under par. (b) an amount equal to the  
15 amount paid by the owner to satisfy the lien, in which case the municipality shall  
16 provide a statement to the clerk of courts that the tenant has satisfied the lien.

17 2. An owner that has satisfied the lien under par. (c) files a statement with the  
18 clerk of courts that the tenant has satisfied the lien.

19 SECTION 3. 66.0809 (5) (b) (intro.) and 2. of the statutes are consolidated,  
20 renumbered 66.0809 (5) (b) and amended to read:

21 66.0809 (5) (b) ~~If this subsection applies, a~~ A municipal public utility may use  
22 sub. (3) to collect arrearages incurred after the owner of a rental dwelling unit has  
23 provided the utility with written notice under par. (a) ~~only if the municipality~~  
24 ~~complies with at least one of the following:~~ 2. ~~In order to comply with this~~  
25 ~~subdivision, if a customer who is a tenant has charges for water or electric service~~

1 ~~provided by the utility that are past due~~, the municipal public utility shall serve  
2 serve notice of the past-due charges on the owner of the rental dwelling unit within  
3 14 days of the date on which the tenant's charges became past due. The municipal  
4 public utility shall serve notice in the manner provided in s. 801.14 (2).

5 **SECTION 4.** 66.0809 (5) (b) 1. of the statutes is repealed.

6 **SECTION 5.** 66.0809 (5) (bm) of the statutes is created to read:

7 66.0809 (5) (bm) 1. No earlier than 14 days after receiving a notice under sub.  
8 (5) (b) of a tenant's past-due charges for electric service, the owner of a rental unit  
9 may request that the municipal public utility terminate electric service to the rental  
10 dwelling unit.

11 2. Upon receipt of a request under subd. 1., the municipal public utility shall  
12 serve notice on the tenant that unless all past-due charges are paid within 10 days,  
13 electric service to the rental dwelling unit will be terminated. The municipal public  
14 utility shall serve notice in the manner provided in s. 801.14 (2).

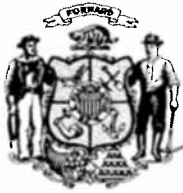
15 3. Except as provided under rules of the public service commission prohibiting  
16 disconnections during cold weather periods, unless all past-due charges are paid,  
17 the municipal utility shall terminate electric service to the rental dwelling unit  
18 within 14 days after serving the notice under subd. 2.

19 **SECTION 6.** 66.0809 (5) (c) of the statutes is amended to read:

20 66.0809 (5) (c) A municipal public utility may demonstrate compliance with the  
21 notice requirements of par. (b) ~~1~~ or ~~2~~ (bm) by providing evidence of having sent the  
22 notice by U.S. mail.

23 **SECTION 7.** 66.0809 (5) (d) of the statutes is amended to read:

24 66.0809 (5) (d) If this subsection applies and a municipal public utility is  
25 permitted to collect arrearages under sub. (3), the municipal public utility shall



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0613/P4 IPS  
EVM:sac:ca0

RMR

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

10/30/13

Today

gen cat

1 AN ACT *to repeal* 66.0809 (5) (b) 1.; *to renumber* 71.935 (2); *to renumber and*  
2 *amend* 66.0809 (3); *to consolidate, renumber and amend* 66.0809 (5) (b)  
3 (intro.) and 2.; *to amend* 66.0809 (5) (c), 66.0809 (5) (d) and 196.137 (2) (cm);  
4 and *to create* 66.0809 (3m), 66.0809 (5) (bm), 66.0809 (6), 66.0809 (7), 66.0809  
5 (8), 66.0809 (9), 66.0809 (10) and 71.935 (2) (b) of the statutes; **relating to:**  
6 collection of certain utility arrearages by a municipal utility and the provision  
7 of municipal utility service to tenants.

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***Analysis by the Legislative Reference Bureau***

Under current law, if a municipal utility provides utility service to a property and payment for the service is in arrears, the utility may impose a lien on the property and have arrearages inserted as a tax on the property if the following procedure is followed. On October 15, the utility or county treasurer must provide the owner or occupant of the property with a written notice of payment due. The notice must specify the amount of the arrearage and any penalty and must state that: 1) if payment is not received by November 1, an additional penalty will be assessed; and 2) if payment is not received by November 15, the arrearage amount and any penalties will become a lien on the property that will be collected as a tax on the property. On November 16, the utility or treasurer must certify and file with the county clerk a list of all properties for which a notice of arrears was given and for

provide a notice of arrearage to the owner

which arrears remain unpaid. The delinquent amount then becomes a lien upon the property and the clerk must insert the delinquent amount and any penalties as a tax against the property.

This bill provides that, if the municipal utility uses the arrearage collection procedure for a rental dwelling unit and ~~the lien on the property~~, the clerk of courts must indicate in the lien docket that ~~both the owner and the tenant are persons~~ who have not satisfied ~~the~~ lien. ~~If the lien is satisfied, the clerk of courts must indicate in the lien docket that the owner has satisfied the lien.~~ The clerk of courts must ~~also~~ indicate in the lien docket that the tenant has satisfied the lien if ~~any of the following applies~~ ~~the~~ municipality receives payments from the tenant in an amount equal to the amount paid by the owner to satisfy the ~~lien~~, the municipality provides a statement to the clerk of courts ~~that the tenant has satisfied the lien or~~ ~~if the owner has satisfied the lien, the owner provides a statement to the clerk of courts that the tenant has satisfied the lien.~~

has  
a municipal utility  
to that effect

is a person

arrears and

Also under current law, if a municipal utility provides electric or water service to a rental dwelling unit and the owner of the rental property provides the utility with certain information, including the name and address of the tenant who is responsible for paying for utility service, the utility may use the arrearage collection procedure described above only if the utility follows certain additional procedures for notifying both the owner and the tenant about any payments that are past due.

This bill allows an owner of a rental unit to request that a municipal utility terminate electric service to a rental dwelling unit if the tenant's utility charges are past due and the tenant has received certain notices.

This bill also permits or requires certain actions of a municipal utility, including the following:

- 1) A municipal utility must refuse to provide utility service to a person if that person is a tenant and the person has outstanding past-due charges for utility service from the municipal utility, and must inform the owner of the rental unit of the past-due charges.
- 2) A municipal utility is not required to offer a customer a deferred payment agreement.
- 3) A municipal utility may collect a deposit from a tenant as a condition of receiving utility service.
- 4) A municipal utility may adopt application, deposit, disconnection, or collection rules and practices that distinguish between customers based upon whether the customer is an owner or a lessee of the property receiving utility service.

Under current law, if any person owes a debt of at least \$20 to a county or municipality, and if the debt has been reduced to a judgment or the county or municipality has provided the debtor reasonable notice and an opportunity to be heard with regard to the debt, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the debtor. Under current law, for purposes of certifying debt to DOR, a "municipality" means any city, village, or town, and includes any entity providing consolidated services among cities, villages, and towns.

Under this bill, for purposes of collecting debts from tax refunds, a “municipality” includes a municipal utility. Under the bill, if a tenant owes a debt to a municipal utility, the municipal utility must certify the debt to DOR so that DOR may collect the debt by subtracting the debt amount from any tax refund owed to the tenant.

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.** 66.0809 (3) of the statutes is renumbered 66.0809 (3) (a) and  
2 amended to read:

3           66.0809 (3) (a) Except as provided in subs. (4) and (5), on October 15 in each year  
4 notice shall be given to the owner or occupant of all the lots or parcels of real estate  
5 to which utility service has been furnished prior to October 1 by a public utility  
6 operated by a town, city, or village and payment for which is owing and in arrears at  
7 the time of giving the notice. The department in charge of the utility shall furnish  
8 the treasurer with a list of the lots or parcels of real estate for which utility service  
9 charges are in arrears, and the notice shall be given by the treasurer, unless the  
10 governing body of the city, village, or town authorizes notice to be given directly by  
11 the department. The notice shall be in writing and shall state the amount of arrears,  
12 including any penalty assessed pursuant to the rules of the utility; that unless the  
13 amount is paid by November 1 a penalty of 10 percent of the amount of arrears will  
14 be added; and that unless the arrears, with any added penalty, are paid by November  
15 15, the arrears and penalty will be levied as a tax against the lot or parcel of real  
16 estate to which utility service was furnished and for which payment is delinquent.  
17 The notice may be served by delivery to either the owner or occupant personally, or



1 by letter addressed to the owner or occupant at the post-office address of the lot or  
2 parcel of real estate.

3 (b) On November 16, the officer or department issuing the notice shall certify  
4 and file with the clerk a list of all lots or parcels of real estate, giving the legal  
5 description, for which notice of arrears was given under par. (a) and for which arrears  
6 remain unpaid, stating the amount of arrears and penalty. Each delinquent amount,  
7 including the penalty, becomes a lien upon the lot or parcel of real estate to which the  
8 utility service was furnished and payment for which is delinquent, and the clerk  
9 shall insert the delinquent amount and penalty as a tax against the lot or parcel of  
10 real estate.

11 (c) All proceedings in relation to the collection of general property taxes and to  
12 the return and sale of property for delinquent taxes apply to the tax under par. (b)  
13 if it is not paid within the time required by law for payment of taxes upon real estate.

14 (d) Under this subsection, if an arrearage is for utility service furnished and  
15 metered by the utility directly to a manufactured home or mobile home unit in a  
16 licensed manufactured and mobile home community, the notice shall be given to the  
17 owner of the manufactured home or mobile home unit and the delinquent amount  
18 becomes a lien on the manufactured home or mobile home unit rather than a lien on  
19 the parcel of real estate on which the manufactured home or mobile home unit is  
20 located. A lien on a manufactured home or mobile home unit may be enforced using  
21 the procedures under s. 779.48 (2).

22 (e) This subsection does not apply to arrearages collected using the procedure  
23 under s. 66.0627.

24 (f) In this subsection, “metered” means the use of any method to ascertain the  
25 amount of service used or the use of a flat rate billing method.

1 SECTION 2. 66.0809 (3m) of the statutes is created to read:

2 66.0809 (3m) (a) If sub. (5) applies and a <sup>notice of arrears (a)</sup> lien under sub. (3)(b) <sup>is filed</sup> the clerk  
3 of courts shall indicate in the lien docket the owner and the tenant of the rental  
4 dwelling unit as <sup>a person has</sup> persons who have not satisfied the lien. <sup>under sub. (3)(b)</sup>

5 (b) The municipality may accept from the tenant payment toward the amount  
6 of the <sup>arrears and penalty</sup> lien. If the lien has been satisfied by the owner, the utility shall reimburse the  
7 owner the amounts it receives from the tenant.

8 (c) If the lien is satisfied, the clerk of courts shall indicate in the lien docket that  
9 the owner has satisfied the lien. If the lien is satisfied by the owner, the owner shall  
10 provide a statement to the clerk of courts stating whether the tenant has satisfied  
11 the lien.

12 (d) The clerk of courts shall indicate in the lien docket that the tenant has  
13 satisfied the lien if any of the following applies: <sup>no ff</sup>

14 1. <sup>the</sup> The tenant has paid the municipality under par. (b) an amount equal to the  
15 amount paid by the owner to satisfy the lien, in which case the municipality shall  
16 provide a statement to the clerk of courts that the tenant has satisfied the lien.

17 2. An owner that has satisfied the lien under par. (c) files a statement with the  
18 clerk of courts that the tenant has satisfied the lien.

19 SECTION 3. 66.0809 (5) (b) (intro.) and 2. of the statutes are consolidated,  
20 renumbered 66.0809 (5) (b) and amended to read:

21 66.0809 (5) (b) ~~If this subsection applies, a~~ A municipal public utility may use  
22 sub. (3) to collect arrearages incurred after the owner of a rental dwelling unit has  
23 provided the utility with written notice under par. (a) ~~only if the municipality~~  
24 ~~complies with at least one of the following:~~ 2. In order to comply with this  
25 ~~subdivision, if a customer who is a tenant has charges for water or electric service~~

1 ~~provided by the utility that are past due~~, the municipal public utility shall ~~serve~~  
2 serve notice of the past-due charges on the owner of the rental dwelling unit within  
3 14 days of the date on which the tenant's charges became past due. The municipal  
4 public utility shall serve notice in the manner provided in s. 801.14 (2).

5 **SECTION 4.** 66.0809 (5) (b) 1. of the statutes is repealed.

6 **SECTION 5.** 66.0809 (5) (bm) of the statutes is created to read:

7 66.0809 (5) (bm) 1. No earlier than 14 days after receiving a notice under sub.  
8 (5) (b) of a tenant's past-due charges for electric service, the owner of a rental unit  
9 may request that the municipal public utility terminate electric service to the rental  
10 dwelling unit.

11 2. Upon receipt of a request under subd. 1., the municipal public utility shall  
12 serve notice on the tenant that unless all past-due charges are paid within 10 days,  
13 electric service to the rental dwelling unit will be terminated. The municipal public  
14 utility shall serve notice in the manner provided in s. 801.14 (2).

15 3. Except as provided under rules of the public service commission prohibiting  
16 disconnections during cold weather periods, unless all past-due charges are paid,  
17 the municipal utility shall terminate electric service to the rental dwelling unit  
18 within 14 days after serving the notice under subd. 2.

19 **SECTION 6.** 66.0809 (5) (c) of the statutes is amended to read:

20 66.0809 (5) (c) A municipal public utility may demonstrate compliance with the  
21 notice requirements of par. (b) ~~1.~~ or ~~2.~~ (bm) by providing evidence of having sent the  
22 notice by U.S. mail.

23 **SECTION 7.** 66.0809 (5) (d) of the statutes is amended to read:

24 66.0809 (5) (d) If this subsection applies and a municipal public utility is  
25 permitted to collect arrearages under sub. (3), the municipal public utility shall

1 provide all notices under sub. (3) to the tenant and to the owner of the property or  
2 a person designated by the owner.

3 **SECTION 8.** 66.0809 (6) of the statutes is created to read:

4 66.0809 (6) (a) A municipal utility that provides water or electric service to a  
5 customer who is a tenant of a rental dwelling unit may require the customer to pay  
6 and maintain a deposit equal to a reasonable estimate of the cost of water or electric  
7 service for the unit for two billing periods as a condition of receiving the service. A  
8 municipal utility shall place any deposit received under this subsection into a  
9 separate segregated account. A municipal utility is not required to pay interest on  
10 deposits received under this subsection. When the customer terminates water or  
11 electric service to the rental dwelling unit, the utility shall return the deposit, less  
12 any deduction for unpaid water or electric utility bills, to the customer within 21 days  
13 after the date that service in the customer's name is terminated to the dwelling unit.

14 (b) Except as provided under rules of the public service commission prohibiting  
15 disconnections during cold weather periods, a municipal utility may discontinue  
16 water or electric service to a customer who fails to maintain with the municipal  
17 utility a deposit in the amount required under par. (a).

18 **SECTION 9.** 66.0809 (7) of the statutes is created to read:

19 66.0809 (7) A municipal utility may require a customer or prospective customer  
20 to submit an application for water or electric service.

21 **SECTION 10.** 66.0809 (8) of the statutes is created to read:

22 66.0809 (8) If a person who has outstanding past-due charges for utility service  
23 from a municipal public utility requests utility service as a tenant at a rental  
24 dwelling unit from that utility, the municipal public utility shall do all of the  
25 following:

1 (a) Refuse to provide utility service to the person until the outstanding  
2 past-due service charges are paid.

3 (b) Inform the owner of the rental dwelling unit that the person has  
4 outstanding past-due utility service charges.

5 **SECTION 11.** 66.0809 (9) of the statutes is created to read:

6 66.0809 (9) A municipal utility is not required to offer a customer a deferred  
7 payment agreement.

8 **SECTION 12.** 66.0809 (10) of the statutes is created to read:

9 66.0809 (10) A municipal utility may adopt application, deposit, disconnection,  
10 or collection rules and practices that distinguish between customers based upon  
11 whether the customer owns or leases the property receiving utility service.

12 **SECTION 13.** 71.935 (2) of the statutes is renumbered 71.935 (2) (a).

13 **SECTION 14.** 71.935 (2) (b) of the statutes is created to read:

14 71.935 (2) (b) If a tenant owes a debt to a municipal public utility that is subject  
15 to s. 66.0809 (3) and (5), the municipal public utility shall certify the debt to the  
16 department as provided in par. (a) so that the department may set off the debt against  
17 any refund owed to the tenant.

18 **SECTION 15.** 196.137 (2) (cm) of the statutes, as created by 2013 Wisconsin Act  
19 25, is amended to read:

20 196.137 (2) (cm) An owner of a rental dwelling unit to whom the municipal  
21 utility provides ~~notice of past-due charges pursuant to~~ customer information under  
22 s. 66.0809 (5).

23 **SECTION 16. Initial applicability.**

24 (1) The treatment of section 66.0809 (3) and (5) (b) (intro.), 1., and 2. of the  
25 statutes first applies to arrearages incurred on the effective date of this subsection.

1 (2) The treatment of section 66.0809 (3m) of the statutes first applies to liens  
2 filed on the effective date of this subsection.

3 (3) The treatment of section 66.0809 (8) of the statutes first applies to a request  
4 for utility service made on the effective date of this subsection.

5 **SECTION 17. Effective date.**

6 (1) The treatment of section 66.0809 (3) and (5) (b) (intro.), 1., and 2. of the  
7 statutes and SECTION 16 (1) of this act take effect on the 1st day of the 6th month  
8 beginning after publication.

9 (END)