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LRB-3142/1 MDK:wlj:pg

2005 SENATE BILL 234

June 8, 2005 – Introduced by Senators Plale, Schultz, Wirch, Kanavas, Breske, Leibham, Kapanke, Lazich and Roessler, cosponsored by Representatives Montgomery, Huebsch, Zepnick, Gard, Honadel, Jensen, Ott, J. Fitzgerald, Hines, Bies, Hahn, Van Roy, Nischke, Ainsworth, Davis and Musser. Referred to Committee on Energy, Utilities and Information Technology.

AN ACT to create 196.491 (3e) of the statutes; relating to: requiring the conveyance of property to electric utilities and cooperatives for the construction of electric transmission lines.

Analysis by the Legislative Reference Bureau

Current law generally prohibits the condemnation of real property owned by the state, a municipality, or a county. This bill provides that if an electric utility or cooperative receives a certificate of public convenience and necessity (CPCN) from the Public Service Commission (PSC) for the construction of a high-voltage transmission line that will be constructed over, on, or under land owned by a county, city, village, town, public board, or commission, the owner of the land must convey to the electric utility or cooperative, at fair market value, the interest in land necessary for the construction, operation, and maintenance of the transmission line.

The bill provides that if the parties cannot agree on the fair market value of the property within 90 days after the PSC issues the CPCN, each party must obtain an appraisal of the property paid for by the electric utility. The appraisals must be prepared by an MAI designated member of the Appraisal Institute. The average of the two appraisals is deemed the fair market value.

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:

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SECTION 1. 196.491 (3e) of the statutes is created to read:

- 196.491 (3e) Conveyance of property to a electric utility. (a) In this subsection, "electric utility" has the meaning given in s. 196.485 (1) (bs).
- (b) Notwithstanding s. 32.03 (1), if an electric utility receives a certificate of public convenience and necessity from the commission under sub. (3) for the construction of a high-voltage transmission line that will be constructed over, on, or under land owned by a county, city, village, town, public board, or commission, the owner of the land shall convey to the electric utility, at fair market value as determined under par. (c), the interest in the land necessary for the construction, operation, and maintenance of the high-voltage transmission line.
- (c) If the electric utility and the owner of the land cannot agree on the fair market value of the property sought by the electric utility within 90 days after issuance of the certificate of public convenience and necessity, the electric utility and the owner of the land shall each obtain an independent appraisal of the property prepared by an appraiser holding an MAI membership designation of the Appraisal Institute. The electric utility shall pay the reasonable costs of the appraisal obtained by the owner of the land. The fair market value of the property for the purposes of par. (b) is the average of the two appraisals.

SECTION 2. Initial applicability.

(1) This act first applies to high-voltage transmission lines for which construction is not complete on the effective date of this subsection.

(END)

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