

State of Misconsin 2009 - 2010 LEGISLATURE

## **2009 ASSEMBLY BILL 475**

October 6, 2009 – Introduced by Representatives KESSLER, ROYS, YOUNG, PASCH, ZEPNICK and A. WILLIAMS. Referred to Committee on Energy and Utilities.

1 AN ACT to amend 66.0817 (intro.); and to create 66.0818 of the statutes;

 $\mathbf{2}$ 

relating to: prohibiting privatization of certain municipal water utilities.

## Analysis by the Legislative Reference Bureau

Under current law, a city, village, or town (municipality) that owns or operates a public utility is allowed to sell or lease the utility only if the municipality follows specified procedures, including obtaining the approval of the Public Service Commission. This bill prohibits a first class city that owns or operates a water utility from selling or leasing the utility to an individual or business entity, or otherwise arranging for an individual or business entity to operate the utility. The bill defines "business entity" as any organization or enterprise operated for profit, including a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, limited liability company, or association. The bill does not affect current law regarding a sale or lease to a person that is not an individual or business entity.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

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

**SECTION 1.** 66.0817 (intro.) of the statutes is amended to read:

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| 1 | 66.0817 Sale or lease of municipal public utility plant. (intro.) A <u>Except</u>               |
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| 2 | <u>as provided in s. 66.0818, a</u> town, village or city may sell or lease any complete public |
| 3 | utility plant owned by it in the following manner:  |
| 4 | <b>SECTION 2.</b> 66.0818 of the statutes is created to read:                                   |
| 5 | 66.0818 Privatization of certain municipal water utilities prohibited.                          |
| 6 | A 1st class city that owns or operates a municipal public utility that furnishes water          |
| 7 | may not sell or lease the public utility to, or otherwise arrange for operation of the          |
| 8 | public utility by, an individual or a business entity, as defined in s. 13.62 (5).              |
| 9 | (END)   |

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