



Legislation Text

File #: 60081, Version: 1

**Fiscal Note**

On March 23, 2020, the Mayor issued an Emergency Proclamation based on the increasing transmission of the COVID-19 virus within the City of Madison. To help mitigate the financial impacts of this emergency on the businesses and residents of Madison, the proposed resolution suspends utility and municipal service late charges effective 4/1/2020 until 60 days after the emergency ends. Lost late fee revenue is anticipated to be \$16,000 per month.

A budget amendment is not proposed at this time. The Finance Department is closely monitoring the 2020 budget and subsequent budget amendment resolutions to fully fund the response efforts are anticipated in the future.

**Title**

Amending Secs. 13.12, 35.02(8)(d), 35.025(5) and 37.05(4)(h) of the Madison General Ordinances to Allow for the Suspension of Utility and Municipal Service Late Charges

**Body**

DRAFTER'S ANALYSIS: This ordinance amends the late billing provisions of the Water Utility, Sewer Utility, Stormwater Utility and the Landfill Remediation Charge to allow for suspension of utility late charges as directed by the Public Service Commission (for the Water Utility) and the Common Council (for the Sewer Utility, Stormwater Utility and Landfill Remediation charges). Currently, late charges are required by ordinance. However, in response to the ongoing COVID -19 pandemic, and pursuant to Executive Order of the Governor, the Public Service Commission (the PSC) has suspended late charges on Water Utility bills during the duration of the public health emergency. This change will ensure that the Water Utility's suspension of late charges during the pandemic, as directed by the PSC, is lawful under state and local law. It will also allow the Council, by a companion resolution, to suspend late charges for the Sewer Utility, Stormwater Utility and Landfill Remediation Charge. As late charges are applied uniformly to all City utility bills when municipal service bills are processed by the Water Utility, this ordinance and companion resolution will ensure that the City's suspension of late charges on the municipal service bill is legal and uniformly applied. Finally, the late fee procedure in the landfill remediation ordinance is being changed to bring those provisions in line with the late fee provisions of the other City utilities.

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The Common Council of the City of Madison do hereby ordain as follows:

- 1. Section 13.12 entitled "Collection of Water Utility Charges" of the Madison General Ordinances is amended to read as follows:

**13.12. Collection of Water Utility Charges.** Except as otherwise provided by the Public Service Commission, ~~the~~ Water Utility shall issue bills for the water and services the Utility provides. A late payment charge of one percent (1%) of any unpaid balance shall be assessed and added to the bill for such services if the amount of the bill is not paid within twenty (20) days thereafter (the "due date") and an additional late payment charge of one percent (1%) of the unpaid balance of the bill plus any previously assessed late payment charge remaining due at the end of every monthly anniversary of the due date shall be assessed and added to bills then remaining unpaid. The Treasurer shall proceed to collect the bills with the penalty with all the authority in collecting the tax vested in the Treasurer for the collection of general City taxes according to the provisions of Wis. Stat. § 66.0809(1)."

2. Subdivision (d) of Subsection (8) entitled "Collection of Demand Charges and Sewer Rental" of Section 35.02 entitled "The Public Sewerage System" of the Madison General Ordinances is amended to read as follows:

"(d) The bills for Sewerage Utility charges shall be dated and issued to users. Except as otherwise provided by resolution of the Council, a late payment charge of one percent (1%) of any unpaid balance shall be assessed and added to the bill for such services if the amount of the bill is not paid within twenty (20) days thereafter (the "due date") and an additional late payment charge of one percent (1%) of the unpaid balance of the bill plus any previously assessed late payment charge remaining due at the end of every monthly anniversary of the due date shall be assessed and added to bills then remaining unpaid."

3. Subsection (5) of Section 35.025 entitled "Landfill Remediation Charge" of the Madison General Ordinances is amended to read as follows:

"(5) The bills for Landfill Remediation charges shall be dated and issued to users. Except as otherwise provided by resolution of the Council, a late payment charge of one percent (1%) of any unpaid balance shall be assessed and added to the bill for such services if the amount of the bill is not paid within ~~twenty-five (205)~~ days thereafter (the "due date") and an additional late payment charge of one percent (1%) of the unpaid balance of the bill plus any previously assessed late payment charge remaining due at the end of every monthly anniversary of the due date shall be assessed and added to bills then remaining unpaid."

4. Subdivision (h) of Subsection (4) entitled "Rates and Charges" of Section 37.05 entitled "The Public Stormwater System" of the Madison General Ordinances is amended to read as follows:

"(h) The bills for stormwater services shall be dated and issued to users. Except as otherwise provided by resolution of the Council, a late payment charge of one percent (1%) of any unpaid balance shall be assessed and added to the bill for such services if the amount of the bill is not paid within twenty (20) days thereafter (the "due date") and an additional late payment charge of one percent (1%) of the unpaid balance of the bill plus any previously assessed late payment charge remaining due at the end of every monthly anniversary of the due date shall be assessed and added to bills then remaining unpaid."