

Martin Matson
Comptroller

John M. Egan, CPA
Deputy Comptroller



Office of the Comptroller

October 9, 2013

Glenn Steinbrecher, CPA
Special Deputy Commissioner

Toni Biscobing
Special Deputy Commissioner

Committee Members
Senate Committee on Government Operations, Public Works, and Telecommunications
State Capital
Madison, Wisconsin 53703

RE: Senate Bill 315

Dear Committee Members:

We are writing in support of Senate Bill 315 and the companion Assembly Bill 384 relating to the release of customer information by a municipal utility. This legislation allows municipalities to provide proper disclosure of information to comply with securities obligations in connection with municipal borrowing.

While in support of this legislation, we are asking Committee Members to consider amending it to do the following:

- **Further clarify that the disclosure to lenders, etc. will become available to the public.**
The current draft states that disclosure of customer information is permitted to, "...a lender or a purchaser, or potential purchaser, of or investor, or potential investor..." However, by nature disclosure documents (prospectus, official statements, etc.) are available to the public, and distribution cannot be limited only to investors or potential investors. The document is filed with the Municipal Securities Rulemaking Board (EMMA system) and is available to the public.
- **Change "...Necessary to Comply With..."**
In Line 3 of the current draft, it states that the permission to disclose is allowed when, "...the release is necessary to comply with securities disclosure obligations..." We are concerned that the word, "necessary," could expose the municipality to litigation over the definition of what is necessary. For example, a utility customer could claim that disclosure of their information was not necessary. We suggest that the word necessary be replaced with desirable, usual, and/or customary. Or, could the Legislative Council suggest a better term?

If you have any questions or need additional clarification, please do not hesitate to contact our Debt Specialist, Richard Li at 414-286-2319 or via email at: rsli@milwaukee.gov.

Sincerely,

A handwritten signature in black ink that reads "Martin Matson".

Martin Matson
Comptroller

MM:RL
REF: PD-8050W.DOC