



To: All Legislators

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RE: AB 496 – Obtaining utility information necessary to real estate transactions

The Wisconsin REALTORS® Association supports AB 496, legislation intended to assist real estate licensees and appraisers to continue to provide important utility information to buyers and sellers of real property without compromising the privacy of utility customers.

Background

One of the primary services provided by real estate brokers and appraisers to consumer is providing information to help people make informed decisions about buying and selling property. This information includes sales price information, applicable land use regulations, information about financing and interest rates, and utility information.

Utility information is important to buyers and sellers in a real estate transaction for a variety of reasons including helping them determine (a) how much it will cost to live in a home, (b) whether a property can be developed, and (c) whether all information has been paid prior to the transfer of title.

In September, 2013 Wis. Act 25 (Act 25) was enacted into law to better protect municipal utility customers by prohibiting municipal utilities from releasing customer information without written authorization from the customer. While the WRA supports the intent of Act 25, we are finding that the new law is having unintended consequences on real estate brokers and appraisers by preventing them from providing important utility information to buyers and sellers of real estate, such as:

- **Average annual utility costs** -- A buyer will often want to know the average annual utility costs on a property so that they can determine the total costs of living at a property. A number of our members have been told by municipal utilities that they cannot share this information unless the utility customer provides written authorization because it could be used to "identify customers individually by usage."
- **Availability of utilities** – Another common scenario is that a buyer is looking for a land to build a house, construct a subdivision, or to use as recreational land. The first question they usually ask is whether the property has sewer, water and electricity. The availability of utilities directly impacts what the property can be used for and how much it is worth. Recently, our members have been told by several municipal clerks that this is "customer information" protected by Act 25 that cannot be given out unless authorized by the utility customer.

- **Lack of standardization in forms** – Finally, the other problem our members are experiencing is that each municipality has their own information request form that customers must sign to allow municipalities to release the information. Each form is slightly different and may request different information from the consumer. If you do business in several different communities and each has their request form, it becomes a hassle keeping track of the different forms.

AB 496

To address these concerns, AB 496 does the following:

- Authorizes municipal utilities to release customer information to real estate licensees and appraisers as part of a real estate transaction or appraisal without obtaining the customer's consent.
- Requires the PSC to produce a standard consent form for requesting customer information.

We encourage you to support AB 496. If you have questions, please contact us at (608) 241-2047.