

AMENDMENT

OFFERED IN THE HOUSE
TO: CSSB 190(FIN)

BY REPRESENTATIVE FIELDS

Page 1, line 3, following "**division;**":

Insert "**relating to the privatization of refuse utilities;**"

Page 2, following line 8:

Insert a new bill section to read:

"* **Sec. 3.** AS 42.05.641 is amended by adding a new subsection to read:

(b) A municipality that seeks to privatize a municipal refuse utility that is subject to the provisions of this chapter shall submit a proposal to the commission for review. The commission may approve the proposal if the commission finds that privatization will not result in higher rates for consumers and that privatization is in the public interest. A privatization proposal must include

(1) a business plan that lists the prospective vendors;

(2) the projected cost of private operation compared to continued municipal operation for a ten-year period;

(3) disclosure of any potential conflicts of interest on the part of municipal officials; and

(4) proposed methods

(A) for periodically evaluating the utility's performance to avoid diminished service quality, interruption, or stoppage of work by the contractor;

(B) to encourage competition and productivity;

(C) for monitoring a contract in order to detect any contractor defaults, monitor penalties, and prepare for contract renewals or renegotiations

- 1 and inflation; and
- 2 (D) to address municipal employee displacement."
- 3
- 4 Renumber the following bill sections accordingly.