

**AMENDMENT**

OFFERED IN THE HOUSE  
TO: CSSB 190(FIN)

BY REPRESENTATIVE FIELDS

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

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

3

4 Page 2, following line 8:

5 Insert a new bill section to read:

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

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

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

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

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

17 (4) proposed methods

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

21 (B) to encourage competition and productivity;

22 (C) for monitoring a contract in order to detect any contractor  
23 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.