



# CITIZENS UTILITY BOARD

## Fighting for Illinois Consumers

**FOR IMMEDIATE RELEASE:**  
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### **CUB REACTION TO GOV. RAUNER'S SIGNING OF HB 4508, BAD WATER BILL**

**Statement by Bryan McDaniel, CUB's Director of Governmental Affairs:** We are disappointed that the General Assembly passed and, now, Gov. Bruce Rauner has signed House Bill 4508. CUB fought vigorously to improve this bill, arguing that customers of Illinois American Water and Aqua Illinois should not be forced to finance 100 percent of the companies' purchase of a community's water system. We also fought to require a local referendum before communities could sell their water system to a private operator. Instead, the legislation signed into law today is a giveaway to the state's biggest private water companies. An expensive future awaits Illinois water customers whose towns move forward with privatization deals, under this legislation.

#### **Background:**

- On Monday, Aug. 13, Gov. Bruce Rauner signed House Bill 4508. The bill, passed by the General Assembly in the spring, renews legislation that first became law in 2013.
- HB 4508 allows Aqua Illinois and Illinois American Water to impose automatic rate hikes to finance the companies' purchase of municipal water systems. The new bill also removes a 7,500-connection cap on the size of systems that the water companies can buy.
- Under HB 4508, the companies can raise their existing customers' rates by 2.5 percent for one acquisition, or a total of 5 percent for multiple acquisitions. These caps reset after every rate case.
- The parent companies of Aqua and Illinois American made a combined profit of \$150 million in the first quarter alone. A Chicago Tribune investigation last year found that those private companies charged 20 to 70 percent more than public systems in the region.

CUB is Illinois' leading nonprofit utility watchdog organization. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, CUB has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds. For more information, call CUB's Consumer Hotline at 1-800-669-5556 or visit [www.CitizensUtilityBoard.org](http://www.CitizensUtilityBoard.org).

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