

SENATE BILL 765

C5, N1

2lr2642
CF 2lr2644

By: **Senators Mathias and Middleton**

Introduced and read first time: February 3, 2012

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities – Consumer Relations – Tenant Payment of Landlord Utility**
3 **Bills**

4 FOR the purpose of authorizing certain tenants to prevent the termination of certain
5 utility service by paying the amount due on a monthly bill; authorizing certain
6 tenants to restore certain utility service by paying the amount due on a monthly
7 bill and other applicable charges; authorizing certain tenants to pay for certain
8 other charges; specifying that certain tenants may not incur liability by taking
9 certain action; authorizing certain utility service providers to require certain
10 tenants to pay for past due utility bills, subject to an exception; specifying the
11 method by which a utility service provider may calculate charges for past due
12 utility bills; authorizing certain tenants to deduct the amount of payments
13 made on a landlord's utility bill from rent due to the landlord; requiring a utility
14 service provider to provide certain tenants with copies of future utility bills
15 under certain circumstances; specifying that a tenant's failure to make certain
16 payments authorizes a utility service provider to terminate service under
17 certain circumstances; requiring a utility service provider to provide certain
18 notice to certain tenants within a certain period of time before terminating
19 service; prohibiting the waiver of certain rights; requiring a certain complaint
20 for failure to pay rent to account for payments made by a tenant on a utility bill
21 under certain circumstances; defining certain terms; and generally relating to
22 payment of a utility bill by a tenant.

23 BY adding to

24 Article – Public Utilities
25 Section 7–309
26 Annotated Code of Maryland
27 (2010 Replacement Volume and 2011 Supplement)

28 BY repealing and reenacting, with amendments,

29 Article – Real Property

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 8–401(b)(1)(iii) and (c)(2)(iii)2.D.
2 Annotated Code of Maryland
3 (2010 Replacement Volume and 2011 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
5 MARYLAND, That the Laws of Maryland read as follows:

6 **Article – Public Utilities**

7 **7–309.**

8 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
9 MEANINGS INDICATED.

10 (2) “AFFECTED DWELLING UNIT” MEANS A RESIDENTIAL
11 DWELLING UNIT, AS DEFINED IN § 7–303 OF THIS SUBTITLE, WHERE THE
12 UTILITY SERVICE:

13 (I) IS THE SUBJECT OF THREATENED OR ACTUAL
14 TERMINATION;

15 (II) IS DELIVERED THROUGH A SEPARATELY METERED
16 DWELLING UNIT; OR

17 (III) IF THE PROPERTY RECEIVING UTILITY SERVICE
18 CONTAINS FOUR OR FEWER DWELLING UNITS, IS DELIVERED TO THE PROPERTY
19 THROUGH A MASTER METER.

20 (3) “LANDLORD” MEANS AN OWNER OF AN AFFECTED DWELLING
21 UNIT WHO RENTS THE AFFECTED DWELLING UNIT TO A TENANT AND OBTAINS
22 UTILITY SERVICE FROM A UTILITY SERVICE PROVIDER.

23 (4) “TENANT” MEANS AN OCCUPANT OF AN AFFECTED DWELLING
24 UNIT WHO RENTS THE AFFECTED DWELLING UNIT FROM A LANDLORD WHO IS
25 THE CUSTOMER OF A UTILITY SERVICE PROVIDER.

26 (5) “UTILITY SERVICE” MEANS:

27 (I) GAS, ELECTRIC, OR WATER SERVICE PROVIDED BY A
28 PUBLIC SERVICE COMPANY TO AN AFFECTED DWELLING UNIT; OR

29 (II) WATER SERVICE PROVIDED BY A COMMISSION,
30 MUNICIPAL CORPORATION, OR OTHER GOVERNMENTAL UNIT TO AN AFFECTED
31 DWELLING UNIT.

1 **(6) “UTILITY SERVICE PROVIDER” MEANS:**

2 **(I) A PUBLIC SERVICE COMPANY THAT PROVIDES GAS,**
3 **ELECTRIC, OR WATER SERVICE; OR**

4 **(II) A COMMISSION, A MUNICIPAL CORPORATION, OR ANY**
5 **OTHER GOVERNMENTAL UNIT THAT PROVIDES WATER SERVICE.**

6 **(B) (1) A TENANT MAY:**

7 **(I) PREVENT THE TERMINATION OF UTILITY SERVICE ON A**
8 **UTILITY ACCOUNT BY PAYING THE AMOUNT DUE FOR THE MOST RECENT**
9 **BILLING CYCLE;**

10 **(II) HAVE UTILITY SERVICE RESTORED TO THE ACCOUNT BY**
11 **PAYING THE AMOUNT DUE FOR THE MOST RECENT BILLING CYCLE AND THE**
12 **AMOUNT OF ANY APPLICABLE TERMINATION OR RECONNECTION CHARGES;**

13 **(III) PAY AN AMOUNT THAT IS NOT YET DUE FOR UTILITY**
14 **SERVICE; AND**

15 **(IV) PAY A CHARGE, AS CALCULATED UNDER SUBSECTION**
16 **(C) OF THIS SECTION, FOR PAST DUE UTILITY BILLS.**

17 **(2) A TENANT MAY NOT INCUR LIABILITY FOR PREVIOUS OR**
18 **FUTURE UTILITY CHARGES DUE ON THE ACCOUNT BY TAKING AN ACTION UNDER**
19 **PARAGRAPH (1) OF THIS SUBSECTION.**

20 **(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A UTILITY**
21 **SERVICE PROVIDER, IN ITS DISCRETION, MAY INCLUDE ON A BILL FOR THE**
22 **FOLLOWING 24 MONTHS A CHARGE FOR PAST DUE UTILITY BILLS AS**
23 **CALCULATED UNDER THIS SUBSECTION.**

24 **(2) A UTILITY SERVICE PROVIDER MAY NOT CHARGE A TENANT**
25 **WHO RECEIVES RENTAL ASSISTANCE FROM A PUBLIC HOUSING AUTHORITY OR**
26 **ANOTHER GOVERNMENTAL UNIT FOR PAST DUE UTILITY BILLS.**

27 **(3) A MONTHLY CHARGE FOR PAST DUE UTILITY BILLS ON THE**
28 **UTILITY ACCOUNT SHALL BE CALCULATED BY:**

1 1. THE NAME OF THE CUSTOMER WHOSE SERVICE IS
2 TO BE TERMINATED;

3 2. THE EARLIEST DATE WHEN SERVICE WILL BE
4 TERMINATED;

5 3. THE TOTAL AMOUNT DUE AND UNPAID FOR THE
6 UTILITY SERVICE;

7 4. THE AMOUNT DUE FOR THE MOST CURRENT
8 BILLING CYCLE;

9 5. THE OFFICE ADDRESS AND TELEPHONE NUMBER
10 OF A PERSON AT THE UTILITY SERVICE PROVIDER WHOM THE TENANT MAY
11 CONTACT TO OBTAIN FURTHER INFORMATION;

12 6. THE RIGHTS AND RESPONSIBILITIES OF A TENANT
13 UNDER SUBSECTIONS (B) AND (D) OF THIS SECTION;

14 7. THAT A UTILITY SERVICE PROVIDER IS
15 AUTHORIZED TO REQUIRE A TENANT WHO IS NOT RECEIVING RENTAL
16 ASSISTANCE FROM A PUBLIC HOUSING AUTHORITY OR ANY OTHER
17 GOVERNMENTAL UNIT TO MAKE PAYMENTS FOR PAST DUE UTILITY BILLS;

18 8. THE DOLLAR AMOUNT OF THE PAYMENT DUE FOR
19 PAST UTILITY BILLS AND THE BASIS FOR ITS CALCULATION; AND

20 9. THAT A UTILITY SERVICE PROVIDER THAT
21 RECEIVES A PAYMENT FROM A TENANT SHALL MAIL TO THE TENANT COPIES OF
22 ALL FUTURE UTILITY BILLS FOR UTILITY SERVICE PROVIDED TO THE AFFECTED
23 DWELLING UNIT.

24 (F) A TENANT’S RIGHTS UNDER THIS SECTION MAY NOT BE WAIVED IN
25 ANY LEASE.

26 **Article – Real Property**

27 8–401.

28 (b) (1) Whenever any landlord shall desire to repossess any premises to
29 which the landlord is entitled under the provisions of subsection (a) of this section, the
30 landlord or the landlord’s duly qualified agent or attorney shall file the landlord’s
31 written complaint under oath or affirmation, in the District Court of the county
32 wherein the property is situated:

1 (iii) Stating the amount of rent and any late fees due and
2 unpaid, **LESS THE AMOUNT OF ANY UTILITY BILLS PAID BY A TENANT UNDER**
3 **§ 7-309 OF THE PUBLIC UTILITIES ARTICLE;**

4 (c) (2) (iii) 2. The determination of rent and late fees shall include
5 the following:

6 D. Credit for payments of rent [and], late fees, **AND**
7 **UTILITY BILLS PAID UNDER § 7-309 OF THE PUBLIC UTILITIES ARTICLE** made
8 by the tenant after the complaint was filed.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2012.