

SENATE BILL 849

C5, N1

3lr2523
CF 3lr1347

By: **Senators Ramirez, Colburn, Currie, King, Madaleno, Manno, and Middleton**

Introduced and read first time: February 7, 2013

Assigned to: Rules

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 a certain tenant to prevent the termination of certain
5 utility service by opening a new utility service account; authorizing a certain
6 tenant to have certain utility service restored by opening a new utility service
7 account under certain circumstances; specifying that a certain tenant may not
8 incur liability for certain charges by taking certain action; requiring a certain
9 utility service provider to establish a new utility service account for a certain
10 tenant; prohibiting a certain utility service provider from refusing or limiting
11 certain rights, under certain circumstances; authorizing a certain tenant to
12 deduct certain payments from rent due to a landlord, under certain
13 circumstances; specifying that a tenant's failure to make certain payments
14 authorizes a utility service provider to terminate service under certain
15 circumstances; requiring a certain utility service provider to provide certain
16 notice to a certain tenant within a certain period of time before terminating
17 service; requiring a certain utility service provider to send a certain notice to a
18 certain tenant in addition to notices sent to a landlord; authorizing a certain
19 utility service provider to include certain information relating to a landlord's
20 past due account in a notice to a certain tenant; authorizing a certain utility
21 service provider to charge a landlord a certain fee for the cost of sending certain
22 notices; requiring a certain utility service provider to include certain
23 information on a certain notice; prohibiting the waiver of certain rights;
24 requiring a certain complaint for failure to pay rent to include payments made
25 by a certain tenant on a utility bill under certain circumstances; requiring a
26 request for a certain judgment to be reduced by payments made by a certain
27 tenant; requiring the determination of a certain judgment to include certain
28 payments made by a certain tenant; defining certain terms; and generally
29 relating to payment of a utility bill by a tenant.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – Public Utilities
3 Section 7–309
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2012 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – Real Property
8 Section 8–401(b)(1)(iii) and (iv) and (c)(2)(ii) and (iii)2.D.
9 Annotated Code of Maryland
10 (2010 Replacement Volume and 2012 Supplement)

11 BY repealing and reenacting, without amendments,
12 Article – Real Property
13 Section 8–401(c)(2)(iii)1.
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2012 Supplement)

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

18 **Article – Public Utilities**

19 **7–309.**

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
21 MEANINGS INDICATED.

22 (2) “AFFECTED DWELLING UNIT” MEANS A RESIDENTIAL
23 DWELLING UNIT, AS DEFINED IN § 7–303 OF THIS SUBTITLE, WHERE THE
24 UTILITY SERVICE IS:

25 (I) THE SUBJECT OF THREATENED OR ACTUAL
26 TERMINATION; AND

27 (II) DELIVERED THROUGH A SEPARATE METER TO THE
28 DWELLING UNIT.

29 (3) “LANDLORD” MEANS AN OWNER OF AN AFFECTED DWELLING
30 UNIT WHO:

31 (I) IS THE CUSTOMER OF A UTILITY SERVICE PROVIDER;
32 AND

33 (II) RENTS THE AFFECTED DWELLING UNIT TO A TENANT.

1 **(4) “TENANT” MEANS AN OCCUPANT OF AN AFFECTED DWELLING**
2 **UNIT WHO RENTS THE AFFECTED DWELLING UNIT FROM A LANDLORD WHO IS**
3 **THE CUSTOMER OF A UTILITY SERVICE PROVIDER.**

4 **(5) “UTILITY SERVICE” MEANS GAS, ELECTRIC, OR WATER**
5 **SERVICE PROVIDED BY A PUBLIC SERVICE COMPANY TO AN AFFECTED**
6 **DWELLING UNIT.**

7 **(6) “UTILITY SERVICE PROVIDER” MEANS A PUBLIC SERVICE**
8 **COMPANY THAT PROVIDES GAS, ELECTRIC, OR WATER SERVICE.**

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

10 **(I) PREVENT THE TERMINATION OF UTILITY SERVICE AT**
11 **THE AFFECTED DWELLING UNIT IN WHICH THE UTILITY SERVICE HAS BEEN**
12 **BILLED TO AN ACCOUNT IN THE NAME OF THE LANDLORD BY OPENING A NEW**
13 **UTILITY SERVICE ACCOUNT IN THE NAME OF THE TENANT; OR**

14 **(II) IF THE UTILITY SERVICE HAS BEEN TERMINATED, HAVE**
15 **THE UTILITY SERVICE RESTORED TO THE AFFECTED DWELLING UNIT BY**
16 **OPENING A NEW UTILITY SERVICE ACCOUNT IN THE NAME OF THE TENANT.**

17 **(2) IF A TENANT TAKES ACTION UNDER PARAGRAPH (1) OF THIS**
18 **SUBSECTION, THE TENANT MAY NOT INCUR LIABILITY FOR PREVIOUS UTILITY**
19 **CHARGES OR TERMINATION OR RECONNECTION CHARGES DUE ON THE**
20 **LANDLORD’S ACCOUNT.**

21 **(C) (1) IF A TENANT TAKES ACTION UNDER SUBSECTION (B) OF THIS**
22 **SECTION, A UTILITY SERVICE PROVIDER SHALL ESTABLISH A NEW UTILITY**
23 **SERVICE ACCOUNT FOR THE AFFECTED DWELLING UNIT IN THE NAME OF THE**
24 **TENANT.**

25 **(2) A UTILITY SERVICE PROVIDER MAY NOT REFUSE OR**
26 **OTHERWISE LIMIT A TENANT’S RIGHT TO PREVENT THE TERMINATION OF**
27 **UTILITY SERVICE OR TO SEEK THE RECONNECTION OF UTILITY SERVICE BASED**
28 **ON A LANDLORD’S PAST DUE ACCOUNT OR ON ANY OTHER ACT OR OMISSION BY**
29 **THE LANDLORD.**

30 **(D) A TENANT MAY DEDUCT FROM RENT DUE TO A LANDLORD THE**
31 **AMOUNT OF PAYMENTS MADE TO A UTILITY SERVICE PROVIDER IF:**

1 **(1) AN ORAL OR A WRITTEN LEASE FOR AN AFFECTED DWELLING**
2 **UNIT REQUIRES THE LANDLORD TO PAY THE UTILITY BILL; AND**

3 **(2) (I) THE TENANT PAYS ALL OR PART OF THE UTILITY BILL,**
4 **INCLUDING PAYMENTS MADE ON A NEW UTILITY SERVICE ACCOUNT; OR**

5 **(II) THE TENANT PAYS ANY SECURITY DEPOSIT REQUIRED**
6 **TO OBTAIN A NEW UTILITY SERVICE ACCOUNT.**

7 **(E) IF A TENANT FAILS TO MAKE A FUTURE PAYMENT ON A NEW UTILITY**
8 **SERVICE ACCOUNT WHEN PAYMENT IS DUE, THE UTILITY SERVICE PROVIDER**
9 **MAY TERMINATE SERVICE.**

10 **(F) (1) AT LEAST 14 DAYS BEFORE TERMINATING UTILITY SERVICE**
11 **TO AN AFFECTED DWELLING UNIT, A UTILITY SERVICE PROVIDER SHALL SEND A**
12 **NOTICE BY FIRST-CLASS MAIL TO THE AFFECTED DWELLING UNIT IF:**

13 **(I) THE MAILING ADDRESS OF THE AFFECTED DWELLING**
14 **UNIT IS DIFFERENT FROM THE BILLING ADDRESS; OR**

15 **(II) THE UTILITY SERVICE PROVIDER HAS REASON TO KNOW**
16 **THAT A TENANT OCCUPIES THE PROPERTY.**

17 **(2) THE UTILITY SERVICE PROVIDER SHALL SEND THE NOTICE**
18 **REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN ADDITION TO ANY**
19 **NOTICES SENT TO THE BILLING ADDRESS.**

20 **(3) THE UTILITY SERVICE PROVIDER SHALL ADDRESS THE**
21 **NOTICE TO THE NAMED TENANT, IF THE UTILITY SERVICE PROVIDER KNOWS**
22 **THE TENANT'S NAME, OR TO "ALL OCCUPANTS" IF THE UTILITY SERVICE**
23 **PROVIDER DOES NOT KNOW THE TENANT'S NAME.**

24 **(4) THE OUTSIDE OF THE ENVELOPE CONTAINING THE WRITTEN**
25 **NOTICE SHALL STATE, ON THE ADDRESS SIDE, IN BOLD, CAPITALIZED LETTERS**
26 **IN AT LEAST 12-POINT TYPE, THE FOLLOWING: "IMPORTANT NOTICE TO**
27 **OCCUPANTS: UTILITY SHUT-OFF PENDING".**

28 **(5) THE NOTICE SHALL STATE:**

29 **(I) THE NAME OF THE CUSTOMER WHOSE SERVICE IS TO BE**
30 **TERMINATED;**

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

4 (iv) Requesting to repossess the premises and, if requested by
5 the landlord, a judgment for the amount of rent due, costs, and any late fees, **LESS**
6 **THE AMOUNT OF ANY UTILITY BILLS, FEES, OR SECURITY DEPOSITS PAID BY A**
7 **TENANT UNDER § 7-309 OF THE PUBLIC UTILITIES ARTICLE;**

8 (c) (2) (ii) If, when the trial occurs, it appears to the satisfaction of the
9 court, that the rent, or any part of the rent and late fees are actually due and unpaid,
10 the court shall determine the amount of rent and late fees due as of the date the
11 complaint was filed **LESS THE AMOUNT OF ANY UTILITY BILLS, FEES, OR**
12 **SECURITY DEPOSITS PAID BY A TENANT UNDER § 7-309 OF THE PUBLIC**
13 **UTILITIES ARTICLE**, if the trial occurs within the time specified by subsection (b)(3)
14 of this section.

15 (iii) 1. If the trial does not occur within the time specified in
16 subsection (b)(3)(i) of this section and the tenant has not become current since the
17 filing of the complaint, the court, if the complaint so requests, shall enter a judgment
18 in favor of the landlord for possession of the premises and determine the rent and late
19 fees due as of the trial date.

20 2. The determination of rent and late fees shall include
21 the following:

22 D. Credit for payments of rent and late fees [made by the
23 tenant] **AND OTHER FEES, UTILITY BILLS, OR SECURITY DEPOSITS PAID BY A**
24 **TENANT UNDER § 7-309 OF THE PUBLIC UTILITIES ARTICLE** after the complaint
25 was filed.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2013.