



2009 ASSEMBLY BILL 404

August 31, 2009 – Introduced by Representatives ROTH, MONTGOMERY, NYGREN, PRIDEMORE and TOWNSEND, cosponsored by Senator OLSEN. Referred to Committee on Energy and Utilities.

1 **AN ACT to repeal** 66.0809 (5) (b) 1. and 2. and 66.0809 (5) (c) and (d); and **to**
2 **renumber and amend** 66.0809 (5) (b) (intro.) of the statutes; **relating to:**
3 prohibiting municipal electric or water utilities from collecting certain utility
4 arrearages from owners of rental properties as property liens.

Analysis by the Legislative Reference Bureau

Under current law, a municipal utility may collect arrearages for utility service provided to lots or parcels of real estate by providing, on October 15, a written notice of payment due to the owner or occupant of the real estate. The notice must specify the amount of the arrearage and any penalty and must state the following: 1) that, if payment is not received by November 1, an additional penalty will be assessed; and 2) that, if payment is not received by November 15, the arrearage amount and any penalties will become a lien on the property that will be collected as a tax on the property.

Also under current law, if a municipal utility provides electric or water service to a rental dwelling unit, the municipal utility may use the arrearage collection procedure described above only if the municipal utility follows certain additional procedures for notifying both the owner and the tenant about any payments that are past due. In addition, the municipal utility may use the arrearage collection procedure only if the owner of the rental property provides the municipal utility with written notification of the name and address of the owner, as well as of the tenant who is responsible for paying for the service. Also, if requested by the municipal

