

**Senator Frentz from the Committee on Energy, Utilities, Environment, and Climate,
to which was referred**

S.F. No. 4579: A bill for an act relating to energy; providing for and regulating single-metered utility service in residential buildings; amending Minnesota Statutes 2022, sections 216B.022; 504B.285, subdivision 4; Minnesota Statutes 2023 Supplement, section 216B.172, subdivisions 1, 2; proposing coding for new law in Minnesota Statutes, chapters 216B; 504B; repealing Minnesota Statutes 2022, section 504B.215.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 216B.022, is amended to read:

216B.022 SUBMETERING IN SHARED-METERED RESIDENTIAL BUILDINGS.

Subdivision 1. Definitions. (a) For the purposes of this section and sections 216B.023 and 216B.024, the following terms have the meanings given.

(b) "Individually meter" means the tenant has an individual account with a utility provider and:

(1) the utility provider has installed meters that measure utility service consumed in each unit;

(2) the meters are owned, read, and maintained by the utility provider; and

(3) the meter readings constitute the basis for direct billing of a tenant by the utility provider.

(c) "Landlord" has the meaning given in section 504B.001, subdivision 7. Landlord includes a third-party billing agent.

(d) "Nonresidential building" means a building that is not a residential building.

(e) "Shared-metered residential building" means a residential building with multiple separate living units where the building's utility service is measured by fewer meters than there are separate living units. Shared-metered residential building does not include a manufactured home park.

(f) "Submeter" means a meter that is owned by a landlord and installed by the landlord or by a third-party billing agent or other agent and that measures utility service consumed solely within an individual living unit in the shared-metered residential building.

(g) "Tenant" means a person who is occupying a living unit in a residential building under a lease or contract, whether oral or written, that requires the payment of money or exchange of services, and all other regular occupants of that unit.

(h) "Third-party billing agent" means a person or entity other than the property owner that performs one or more utility management services at a shared-metered residential building on behalf of a landlord that include, but are not limited to installing submeters, reading submeters, or handling utility billing and collections.

(i) "Utility provider" means a public utility, a municipal utility, or a cooperative electric association providing utility service.

(j) "Utility service" means natural gas and electricity.

Subd. 2. Submetering in shared-metered residential buildings. (a) A landlord who has installed submeters in a shared-metered residential building is subject to the commission's authority under this chapter.

(b) All submeters installed by a landlord must be certified to meet industry standards and must accurately measure utility service.

Subd. 3. Submetering in nonresidential buildings. Nothing in this chapter grants the commission or a public utility the authority to limit the availability of submetering to a nonresidential building occupant when the building is served by a public utility's master meter which measures the total electric energy delivered to the building.

Subd. 4. Inaccurate submeters. (a) If a tenant notifies the landlord in writing that the tenant suspects the submeter is incorrectly registering the tenant's utility service and includes an explanation for the suspicion, the landlord must promptly initiate an investigation to determine whether the submeter is inaccurate. If the submeter is found to be inaccurate, the landlord must either repair or replace the submeter or inform the tenant in writing why no corrective action is believed necessary.

(b) If the inaccurate submeter has resulted in an overcharge, the landlord must promptly refund the difference between what the tenant paid and what the tenant would have paid if the submeter was correctly registering the tenant's utility service.

(c) If the inaccurate submeter has resulted in an undercharge, the landlord may bill the tenant the difference between what the tenant paid and what the tenant would have paid if the submeter was correctly registering the tenant's utility service for a period not exceeding the previous six months. Any undercharge the landlord seeks to collect must be recovered in accordance with section 216B.023, subdivision 8.

(d) If a tenant has notified the landlord that the tenant suspects the tenant's submeter is incorrectly registering the tenant's utility service, as provided in paragraph (a), and the landlord has failed within a reasonable time to check the submeter and provide the tenant

with the results of a meter test showing the submeter is accurate, the landlord is prohibited from recovering from the tenant any undercharge for the period between the date of the tenant's notification and the date the submeter was checked.

Subd. 5. Fees. A landlord is prohibited from charging to or collecting from tenants any administrative, capital, or any other expenses associated with the installation, maintenance, repair, replacement, or reading of submeters, unless the expense is due to the tenant's willful, malicious, or negligent conduct.

Sec. 2. [216B.023] BILLING; CONSUMER PROTECTIONS.

Subdivision 1. Billing. (a) Where utility service is submetered, bills for utility service provided by landlords to tenants must be based on actual submeter readings. Where natural gas service is apportioned, billing for the service must comply with section 504B.216, subdivision 4.

(b) Landlords are prohibited from billing tenants who are submetered or whose natural gas service is apportioned less frequently than the landlord is billed by the utility. Landlords must include in the lease or, if there is no written lease, provide a written statement at the outset of the lease term, notification of when monthly utility bills will be issued.

(c) Bills for utility service rendered by landlords to tenants for utility service must include, at a minimum, the following information:

(1) the present and last preceding submeter readings;

(2) the date of the present reading;

(3) the rate or rates, including peak and off-peak rates, at which the utility service is being billed, the amount of the service billed at each separate rate, and the rate at which the landlord is being billed by the utility provider for the utility service;

(4) any administrative charge charged in accordance with subdivision 4;

(5) the tenant's portion of taxes and surcharges;

(6) the total amount of the monthly bill; and

(7) the date by which payment is due, the date after which, if the bill is not paid, a late payment charge will be imposed, and the amount of the charge, if any.

(d) Bills for utility service rendered by landlords who apportion natural gas service must:

(1) include the formula used to apportion the service;

(2) reflect and identify any portion of a bill credit the landlord received from the utility provider that is apportioned to the tenant;

(3) identify what portion of the bill the landlord received from the utility provider that is for common areas that is not being apportioned among tenants;

(4) include any administrative charge charged in accordance with subdivision 4; and

(5) if applicable, include the date by which payment is due and the date after which if the bill is not paid that the late payment charge will be imposed, the interest rate, and the amount of the late charge.

Subd. 2. **Separate billing for electricity.** (a) A landlord who bills a tenant separately from rent may not apportion for electricity usage and must:

(1) charge only for the electricity used in the tenant's unit, calculated by multiplying the kilowatt-hours used during the billing period as measured by the submeter by the rate charged by the utility provider as shown on the bill issued to the landlord by the provider. A landlord may not charge any tenant for electricity consumed in common areas or in spaces used exclusively or primarily by the landlord; and

(2) charge a tenant only for the tenant's pro rata share of the fixed meter or service charge, calculated by dividing the charge as shown on the bill issued to the landlord by the utility provider equally among the number of units in the building; and

(3) charge a tenant only for the tenant's pro rata share of the taxes, surcharges, and flat fees by dividing the sum of those charges as shown on the bill issued to the landlord by the provider equally among the number of units in the building.

(b) A landlord must deduct from a tenant's total bill the tenant's pro rata share of any bill credits or adjustments received by the landlord on the bill from the utility provider by dividing the credit or adjustment equally among the number of units in the building.

Subd. 3. **Separate billing for natural gas.** A landlord who bills tenants separately from rent may apportion natural gas in accordance with section 504B.216, subdivision 4.

Subd. 4. **Administrative billing charge.** A landlord who bills separately from rent for electricity or natural gas, or both, may charge a tenant a single administrative billing fee that does not exceed \$6 per bill. No other fees may be charged to or collected from tenants for utility service.

5.1 Subd. 5. **Billing errors.** (a) If a billing error occurs that has resulted in an overcharge,
5.2 the landlord must promptly refund the difference between what the tenant paid and what
5.3 the tenant would have paid but for the error.

5.4 (b) If a billing error has occurred that has resulted in an undercharge, the landlord may
5.5 bill the tenant for the difference between what the tenant paid and what the tenant would
5.6 have paid but for the billing error for a period not exceeding six months. Any undercharge
5.7 must be recovered in accordance with subdivision 8.

5.8 Subd. 6. **Late payment charges.** A landlord may impose one late payment fee per billing
5.9 period if a tenant's utility bill payment is not received by the landlord by the next scheduled
5.10 billing date. The late fee may not be added to subsequent bills on which subsequent late
5.11 fees are imposed. The amount of the late charge may not exceed one and one-half percent
5.12 per billing period on the delinquent amount.

5.13 Subd. 7. **Payment agreements.** A landlord must offer a payment agreement for the
5.14 payment of utility service arrears. If the tenant receives or is eligible for public assistance
5.15 or legal aid services, payment agreements must be consistent with the tenant's financial
5.16 circumstances and any extenuating circumstances of the household.

5.17 Subd. 8. **Undercharges.** A landlord must offer a payment agreement to tenants who
5.18 have been undercharged if no culpable conduct by the tenant or member of the tenant's
5.19 household caused the undercharge. The agreement must cover a period equal to the time
5.20 over which the undercharge occurred or a different time period that is mutually agreeable
5.21 to the tenant and the landlord, except that the duration of a payment agreement offered by
5.22 a landlord to a tenant who is receiving or eligible for public assistance, or is eligible for
5.23 legal aid services, must be consistent with the financial circumstances and any extenuating
5.24 circumstances of the customer's household. No interest or delinquency fee may be charged
5.25 as part of an undercharge agreement under this subdivision.

5.26 Sec. 3. **[216B.024] SHARED-METERED RESIDENTIAL BUILDINGS; DISPUTE**
5.27 **RESOLUTION.**

5.28 A tenant disputing a bill or claiming a violation of section 216B.022 or 216B.023 must
5.29 first attempt to resolve the dispute or claim with the landlord. If the tenant disagrees with
5.30 the landlord's proposed resolution, the landlord must notify the tenant of the tenant's right
5.31 to file a complaint with the commission and provide the phone number and email address
5.32 of the commission's consumer affairs office. The consumer affairs office must follow the
5.33 procedures set forth in section 216B.172, subdivision 2, and Minnesota Rules, part
5.34 7829.3200, and the procedures under section 216B.72, subdivisions 3 and 4, apply.

6.1 Sec. 4. Minnesota Statutes 2022, section 216B.098, subdivision 6, is amended to read:

6.2 Subd. 6. **Commission authority.** (a) In addition to any other authority, the commission
6.3 has the authority to resolve customer complaints against a public utility, as defined in section
6.4 216B.02, subdivision 4, whether or not the complaint involves a violation of this chapter.
6.5 The commission may delegate this authority to commission staff as it deems appropriate.

6.6 (b) The commission has the authority to levy a fine as provided under section 216B.57
6.7 for a violation of section 216B.022, 216B.023, or 216B.024 with respect to complaints filed
6.8 by tenants under section 216B.023, subdivision 7. Nothing in this chapter limits the right
6.9 of a tenant to seek or obtain judicial remedies.

6.10 Sec. 5. Minnesota Statutes 2023 Supplement, section 216B.172, subdivision 1, is amended
6.11 to read:

6.12 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
6.13 the meanings given.

6.14 (b) "Appeal" means a request a complainant files with the commission to review and
6.15 make a final decision regarding the resolution of the complainant's complaint by the consumer
6.16 affairs office.

6.17 (c) "Complainant" means an individual residential customer or a tenant who files with
6.18 the consumer affairs office a complaint against a public utility or a landlord of a
6.19 shared-metered residential building.

6.20 (d) "Complaint" means an allegation submitted to the consumer affairs office by a
6.21 complainant that a public ~~utility's~~ utility or a landlord's action or practice regarding billing
6.22 or terms and conditions of service:

6.23 (1) violates a statute, rule, tariff, service contract, or other provision of law;

6.24 (2) is unreasonable; or

6.25 (3) has harmed or, if not addressed, harms a complainant.

6.26 Complaint does not include an objection to or a request to modify any natural gas or
6.27 electricity rate contained in a tariff that has been approved by the commission. A complaint
6.28 under this section is an informal complaint under Minnesota Rules, chapter 7829.

6.29 (e) "Consumer affairs office" means the staff unit of the commission that is organized
6.30 to receive and respond to complaints.

(f) "Informal proceeding" has the meaning given in Minnesota Rules, part 7829.0100, subpart 8.

(g) "Landlord" has the meaning given in section 216B.022, subdivision 1.

(h) "Public assistance" has the meaning given in section 550.37, subdivision 14.

~~(h)~~ (i) "Public utility" has the meaning given in section 216B.02, subdivision 4.

(j) "Shared-metered residential building" has the meaning given in section 216B.022, subdivision 1.

(k) "Tenant" has the meaning given in section 216B.022, subdivision 1.

(l) "Third-party billing agent" has the meaning given in section 216B.022, subdivision 1.

Sec. 6. Minnesota Statutes 2023 Supplement, section 216B.172, subdivision 2, is amended to read:

Subd. 2. **Complaint resolution procedure.** A complainant must first attempt to resolve a dispute with a public utility or a landlord. If dissatisfied with the proposed resolution by the public utility or the landlord, the complainant may seek assistance of the commission to resolve the matter by filing a complaint with the consumer affairs office. The consumer affairs office must: (1) notify the complainant of the resolution of the complaint; and (2) provide written notice of (i) the complainant's right to appeal the resolution to the commission, and (ii) the steps the complainant may take to appeal the resolution. Upon request, the consumer affairs office must provide to the complainant a written notice containing the substance of and basis for the resolution. Nothing in this section affects any other rights existing under this chapter or other law.

Sec. 7. **[504B.216] UTILITY SERVICE IN SHARED-METERED RESIDENTIAL BUILDINGS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following definitions apply.

(b) "Commission" means the public utilities commission.

(c) "Landlord" has the meaning given in section 504B.001, subdivision 7. For the purposes of this section, landlord includes a third-party billing agent.

(d) "Shared-metered residential building" means a building with multiple separate living units where the building's utility service is measured by fewer meters than there are separate

8.1 living units. Shared-metered residential building does not include a manufactured home
8.2 park.

8.3 (e) "Submeter" means a meter that is owned by a landlord and installed by the landlord
8.4 or by a third-party billing agent or other agent and that measures utility service consumed
8.5 solely within an individual living unit in the shared-metered residential building.

8.6 (f) "Third-party billing agent" has the meaning given in section 216B.022, subdivision
8.7 1.

8.8 (g) "Utility provider" means a public utility, a municipal utility, a cooperative electric
8.9 association, or a local municipal water company providing utility service.

8.10 (h) "Utility service" means natural gas, electricity, or water and sewer.

8.11 Subd. 2. **Landlord is bill payer and customer of record.** (a) The landlord of a
8.12 shared-metered residential building must be the bill payer responsible and must be the
8.13 customer of record contracting with a utility provider for utility service. Except as provided
8.14 in paragraph (b), a tenant is not responsible to a utility provider or landlord for utility service.
8.15 The landlord must advise the utility provider that the utility services apply to a shared-metered
8.16 residential building.

8.17 (b) Notwithstanding paragraph (a), a tenant may be liable to the utility provider for utility
8.18 service if the tenant exercises the right granted under subdivision 5 because the landlord
8.19 has failed to pay for utility service and the utility provider issues a final notice proposing
8.20 to disconnect or discontinue the service to the building.

8.21 (c) A landlord is prohibited from removing a directly metered tenant from the tenant's
8.22 existing utility account or requesting that a utility remove the tenant from the tenant's existing
8.23 utility account.

8.24 (d) This subdivision may not be waived by contract or otherwise.

8.25 Subd. 3. **Submetering.** (a) A landlord who is authorized to submeter natural gas or
8.26 electricity must comply with this section and sections 216B.022 and 216B.023.

8.27 (b) On or after January 1, 2025, any submeters installed by a landlord to measure water
8.28 and sewer usage must comply with standards established by the local municipal water
8.29 company for meters the company uses to measure water and sewer service provided to the
8.30 company's customers. A landlord must promptly initiate an investigation if a tenant notifies
8.31 the landlord in writing that the tenant suspects the tenant's submeter is incorrectly registering
8.32 the tenant's water and sewer service and includes an explanation for the suspicion, and must
8.33 promptly refund any overcharge and may recover any undercharges as provided in section

216B.022, subdivision 4. A landlord may not charge to or collect from tenants any administrative, capital, or any other expenses associated with the installation, maintenance, repair, replacement, or reading of submeters, unless the expense is due to the tenant's willful, malicious, or negligent conduct.

Subd. 4. **Apportionment.** (a) Apportionment of electricity is prohibited.

(b) A landlord may apportion natural gas usage based on the square footage in the tenant's unit as agreed to by the landlord and tenant in the lease or a written agreement. The landlord may charge a tenant only for the tenant's pro rata share of the fixed meter or service charge, calculated by dividing the charge as shown on the bill issued to the landlord by the utility provider equally among the number of units in the building. The landlord may charge a tenant only for the tenant's pro rata share of the taxes, surcharges, and flat fees by dividing the sum of those charges as shown on the bill issued to the landlord by the provider equally among the number of units in the building. The landlord must deduct from a tenant's total bill the tenant's pro rata share of any bill credits or adjustments received by the landlord on the bill from the utility provider by dividing the credit or adjustment equally among the number of units in the building.

(c) A landlord may apportion water and sewer utility service based on a combination of the square footage in the tenant's unit and the unit's occupancy as agreed to by the landlord and tenant in the lease or a written agreement. The landlord may charge a tenant only for the tenant's pro rata share of the fixed meter or service charge, calculated by dividing the charge as shown on the bill issued to the landlord by the utility provider equally among the number of units in the building. The landlord may charge a tenant only for the tenant's pro rata share of the taxes, surcharges, and flat fees by dividing the sum of those charges as shown on the bill issued to the landlord by the provider equally among the number of units in the building. The landlord must deduct from a tenant's total bill the tenant's pro rata share of any bill credits or adjustments received by the landlord on the bill from the utility provider by dividing the credit or adjustment equally among the number of units in the building.

(d) A landlord who apportions natural gas or water and sewer, or both, must include in the lease a provision that, upon a tenant's request, the landlord must provide a copy of the actual water or sewer utility bill for the building along with each apportioned water or sewer utility bill. Upon a tenant's request, a landlord must also provide past copies of water or sewer utility bills for any period of the tenancy for which the tenant received an apportioned utility bill. Past copies of utility bills must be provided for the preceding two years or from the time the current landlord acquired the building, whichever is most recent.

10.1 (e) A landlord who apportions natural gas or water and sewer service, or both, must
10.2 comply with section 216B.023, subdivisions 5, 6, and 7.

10.3 (f) A landlord who bills separately from rent through apportionment for any utility
10.4 service may charge a tenant a single administrative billing fee that does not exceed \$6 per
10.5 bill, except if the landlord is billing separately from rent through submetering of electricity
10.6 and charging an administrative fee for electricity billing. No other fees may be charged to
10.7 or collected from tenants for utility service.

10.8 (g) A failure of the landlord to comply with this subdivision is a violation of sections
10.9 504B.161, subdivision 1, 504B.221, and 325F.69.

10.10 Subd. 5. **Disconnection of utility service prohibited.** (a) Disconnection of a tenant's
10.11 utility service by a landlord for the failure to pay utility service charges is prohibited. Nothing
10.12 in this subdivision prohibits a public utility, a municipal utility, or a cooperative electric
10.13 association from disconnecting service to a landlord's single meter as otherwise allowed by
10.14 law.

10.15 (b) If a landlord asserts a tenant owes rent and utilities, sums paid by the tenant to landlord
10.16 must first be applied to unpaid rent.

10.17 (c) Tenant payments toward rent may not be designated as payments toward utility
10.18 service and tenant utility service payments may not be designated as rent. A landlord may
10.19 bring a claim for breach of lease under section 504B.285, subdivision 4, for the failure of
10.20 a tenant to pay for utilities billed separately from rent as allowed under this section, except
10.21 as provided in paragraph (d). There shall be no presumption that a claim brought for breach
10.22 for the failure to pay for utilities is material or warrants entry of a writ of recovery or other
10.23 eviction remedy.

10.24 (d) Notwithstanding paragraph (c):

10.25 (1) a landlord may not bring a claim for breach unless the landlord has offered an eligible
10.26 tenant and the tenant has defaulted on a payment agreement to pay amounts owed for utility
10.27 charges, as required under section 216B.023, subdivision 7;

10.28 (2) an eviction action may not be filed and any eviction already filed must be stayed for
10.29 the failure to pay utility service charges:

10.30 (i) during the cold weather period;

10.31 (ii) during a heat emergency; and

11.1 (iii) if the tenant notifies the landlord or the court that the tenant or a member of the
11.2 tenant's household is experiencing a medical emergency or where medical equipment
11.3 requiring electricity necessary to sustain life is in use and certification of the emergency is
11.4 provided to the landlord or the court by a licensed medical health care professional within
11.5 three days of notification to the landlord or the court; and

11.6 (3) the tenant may, at any time before possession has been delivered, cure the breach by
11.7 bringing to court the amount of the utility charges that are in arrears, with an additional
11.8 charge as provided under section 216B.023, subdivision 7.

11.9 (e) If the failure to pay utility charges occurs during the cold weather period or in the
11.10 event of a medical emergency or where medical equipment requiring electricity necessary
11.11 to sustain life is in use, a landlord must follow the procedures set forth in section 216B.023,
11.12 subdivision 7.

11.13 (f) A violation of this subdivision is a violation of section 504B.221.

11.14 (g) For the purposes of this subdivision:

11.15 (1) "cold weather rule" has the meaning given in section 216B.098, subdivision 1;

11.16 (2) "disconnection" includes installation of a service or load limiter or any device that
11.17 limits or interrupts utility service in any way; and

11.18 (3) "heat emergency" means any period when an excessive heat watch, heat advisory,
11.19 or excessive heat warning issued by the National Weather Service is in effect.

11.20 **Subd. 5. Procedure where landlord defaults on payments to the utility.** (a) A utility
11.21 provider supplying natural gas, electricity, or water, or other company supplying home
11.22 heating oil or propane, to a building who issues a final notice proposing to disconnect or
11.23 discontinue the service to the building because a landlord who has contracted for the service
11.24 has failed to pay for it or because a landlord is required by law or contract to pay for the
11.25 service and fails to do so must provide notice to the residents of the impending disconnection
11.26 by posting the building. The posting must be placed in at least one conspicuous location in
11.27 or on the building and provide tenants with, at a minimum, the following information:

11.28 (1) the date the service will be discontinued;

11.29 (2) the telephone number to call at the utility to obtain further information;

11.30 (3) a brief description of the rights of tenants under this section to continue or restore
11.31 service; and

12.1 (4) advice to consider seeking assistance from legal aid, a private attorney, or a housing
12.2 organization in exercising the rights of tenants under Minnesota law to maintain their utility
12.3 service.

12.4 A tenant or group of tenants may pay to have the service continued or reconnected as
12.5 provided under this section. Before paying for the service, the tenant or group of tenants
12.6 shall give oral or written notice to the landlord of the tenant's intention to pay after 48 hours,
12.7 or a shorter period that is reasonable under the circumstances, if the landlord has not already
12.8 paid for the service. In the case of oral notification, written notice shall be mailed or delivered
12.9 to the landlord within 24 hours after oral notice is given.

12.10 (b) In the case of natural gas or electricity, if the landlord has not paid the bill by the
12.11 time of the tenant's intended payment or if the service remains discontinued, the tenant or
12.12 tenants may pay the current charges for the most recent billing period and the utility company
12.13 or municipality must restore the service for at least one billing period. In a residential
12.14 building with less than five units, one of the tenants may notify the utility company or
12.15 municipality that the tenant agrees to become the bill payer responsible and customer of
12.16 record and the utility company or municipality must place the account disconnected or
12.17 subject to disconnection in the tenant's name and provide service prospectively, provided
12.18 the tenant satisfies all requirements for establishing service. A tenant becoming the customer
12.19 of record of a cooperative electric association does not acquire membership rights. Exercise
12.20 of the right to pay the current charges for the most recent billing period does not preclude
12.21 exercising the right to become the bill payer responsible and customer of record, provided
12.22 that if there are multiple tenants in an affected multifamily building, the utility company or
12.23 municipality is not required to offer the right to become the bill payer responsible and the
12.24 customer of record to more than one tenant in a 12-month period.

12.25 (c) In the case of water, if the landlord has not paid the bill by the time of the tenant's
12.26 intended payment or if the service remains discontinued, upon request from a tenant, a
12.27 municipality must provide a copy of each bill the landlord fails to pay. The tenant:

12.28 (1) has a continuing right to pay the current charges for the most recent billing period
12.29 and retain service;

12.30 (2) has the period of time provided by the governing ordinance, policy, or practice within
12.31 which to pay the charges;

12.32 (3) is not subject to any deposit requirements; and

12.33 (4) is entitled to reasonable notice of any disconnection.

13.1 This paragraph does not require a municipality to alter its accounting system or billing
13.2 records if the tenant exercises the right to pay current charges and retain water service. If
13.3 there are multiple tenants in an affected property, the municipality is not required to offer
13.4 the right to pay current charges and retain service to more than one tenant in a 12-month
13.5 period.

13.6 (d) For purposes of this subdivision, "current charges" does not include arrears or late
13.7 payment fees incurred by the landlord.

13.8 (e) In a shared-metered residential building, other residential tenants in the building may
13.9 contribute payments to the utility company or municipality on the account of the tenant who
13.10 is the customer of record under paragraph (b) or on the landlord's account under paragraph
13.11 (c).

13.12 (f) A landlord who satisfies all requirements for reestablishing service, including paying,
13.13 or entering into an agreement acceptable to the utility company or municipality to pay, all
13.14 arrears and other lawful charges incurred by the landlord on the account that was placed in
13.15 the tenant's name, may reestablish service in the landlord's name.

13.16 (g) This section does not restrict or prohibit a municipal utility provider from exercising
13.17 its authority pursuant to section 444.075, subdivisions 3 and 3e, to make contracts with and
13.18 impose utility charges against property owners and to certify unpaid charges to the county
13.19 auditor with taxes against the property served for collection as a tax.

13.20 (h) In the case of home heating oil or propane, if the landlord has not yet paid the bill
13.21 by the time of the tenant's intended payment, or if the service remains discontinued, the
13.22 tenant or tenants may order and pay for one month's supply of the proper grade and quality
13.23 of oil or propane.

13.24 (i) After submitting documentation to the landlord of the tenant's payment to the utility
13.25 company or municipality, a tenant may deduct the amount of the tenant's payment to the
13.26 utility company or municipality from the rental payment next paid to the landlord. Any
13.27 amount paid to the municipality, utility company, or other company by a tenant under this
13.28 subdivision is considered payment of rent to the landlord for purposes of section 504B.291.

13.29 Subd. 6. **Limitations; waiver prohibited; rights as additional.** The tenant rights under
13.30 this section:

13.31 (1) do not extend to conditions caused by the willful, malicious, or negligent conduct
13.32 of the tenant or of a person under the tenant's direction or control;

13.33 (2) may not be waived or modified; and

14.1 (3) are in addition to and do not limit other rights which may be available to the tenant
14.2 in law or equity, including the right to damages and the right to restoration of possession
14.3 of the premises under section 504B.291.

14.4 Subd. 7. **Additional requirement.** By September 30 of each year, a landlord of a
14.5 shared-metered residential building who bills for gas and electric utility charges separate
14.6 from rent must inform tenants in writing of the possible availability of energy assistance
14.7 from the low income home energy assistance program. The information must contain the
14.8 toll-free telephone number of the administering agency.

14.9 Subd. 8. **Attorney general authority.** The attorney general has authority under section
14.10 8.31 to investigate and prosecute violations of this section.

14.11 Sec. 8. Minnesota Statutes 2022, section 504B.285, subdivision 4, is amended to read:

14.12 Subd. 4. **Nonlimitation of landlord's rights.** (a) Nothing contained in subdivisions 2
14.13 and 3 limits the right of the landlord pursuant to the provisions of subdivision 1 to terminate
14.14 a tenancy for a violation by the tenant of a lawful, material provision of a lease or contract,
14.15 whether written or oral, or to hold the tenant liable for damage to the premises caused by
14.16 the tenant or a person acting under the tenant's direction or control.

14.17 (b) If landlord takes an action to terminate a tenancy for failure to pay for utility services
14.18 in a shared-metered building, the court:

14.19 (1) if the tenant has filed a complaint involving utility service with the public utilities
14.20 commission under section 216B.024, must stay the action until the commission has made
14.21 a final determination and may not require the defendant to pay any amount of money into
14.22 court, post a bond, make a payment directly to a landlord, or by any other means post security
14.23 for any purpose prior to final disposition of the complaint pursuant to section 216B.172,
14.24 subdivisions 3 and 4. The procedures described in clauses (2) and (3) regarding payment
14.25 of money into court or to the landlord or posting a bond or security apply to any subsequent
14.26 action taken under this subdivision;

14.27 (2) if the tenant has not filed a complaint involving utility service with the public utilities
14.28 commission under section 216B.024, and the tenant meets the requirements for a fee waiver,
14.29 may not require the tenant to post any amount of money into court, post a bond, make a
14.30 payment directly to a landlord, or by any other means post security for utility charges; and

14.31 (3) if the tenant has not filed a complaint involving utility service with the public utilities
14.32 commission under section 216B.024, and the tenant does not meet the requirements to

15.1 proceed in forma pauperis, may, in its discretion, require the tenant to pay an amount of
15.2 money or post security as it deems appropriate for prospective utility charges only.

15.3 (c) A court may not require a tenant to post rent as a condition of a tenant asserting an
15.4 affirmative claim or defense, or a counterclaim related to landlord utility billings or practices.

15.5 Sec. 9. **REPEALER.**

15.6 Minnesota Statutes 2022, section 504B.215, is repealed.

15.7 Sec. 10. **EFFECTIVE DATE.**

15.8 (a) Sections 1 to 6, 8, and 9 are effective January 1, 2025.

15.9 (b) Section 7 is effective January 1, 2025, for leases entered into or renewed on or after
15.10 that date."

15.11 Amend the title as follows:

15.12 Page 1, line 2, delete "single-metered" and insert "shared-metered"

15.13 Amend the title numbers accordingly

15.14 And when so amended the bill do pass and be re-referred to the Committee on Judiciary
15.15 and Public Safety. Amendments adopted. Report adopted.

15.16 Nich A. Funtz
15.17 (Committee Chair)

15.18 March 13, 2024.....
15.19 (Date of Committee recommendation)