

1.1 **Senator Latz from the Committee on Judiciary and Public Safety, to which was**
1.2 **re-referred**

1.3 **S.F. No. 4579:** A bill for an act relating to energy; providing for and regulating
1.4 shared-metered utility service in residential buildings; amending Minnesota Statutes 2022,
1.5 sections 216B.022; 216B.098, subdivision 6; 504B.285, subdivision 4; Minnesota Statutes
1.6 2023 Supplement, section 216B.172, subdivisions 1, 2; proposing coding for new law in
1.7 Minnesota Statutes, chapters 216B; 504B.

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

1.9 Page 1, delete lines 12 to 18

1.10 Reletter the paragraphs in sequence

1.11 Page 2, after line 20, insert:

1.12 "(b) On or after January 1, 2025, all submeters installed by a landlord to measure utility
1.13 service must meet standards established by the American National Standards Institute."

1.14 Page 2, delete lines 21 and 22 and insert:

1.15 "(c) All submeters, regardless of when they were installed, must accurately measure
1.16 utility service."

1.17 Page 3, line 15, before "Fees" insert "Submeter"

1.18 Page 3, line 23, delete "subdivision 4" and insert "subdivisions 5 and 6"

1.19 Page 3, line 27, delete "monthly"

1.20 Page 3, line 28, delete the first "for utility service" and after "for" insert "submetered"

1.21 Page 4, after line 5, insert:

1.22 "(6) if any, the portion of any bill credit the landlord received from the utility provider
1.23 that is apportioned to the tenant;"

1.24 Page 4, line 6, delete "(6)" and insert "(7)"

1.25 Page 4, line 7, delete "(7)" and insert "(8)"

1.26 Page 4, line 8, delete "will" and insert "may"

1.27 Page 4, line 10, delete "include" and insert "describe" and before the semicolon, insert
1.28 ", as provided in section 504B.216, subdivision 6"

1.29 Page 4, line 11, delete "reflect and identify any portion" and insert "identify the portion,
1.30 if any,"

2.1 Page 4, line 16, delete everything after "(5)" and insert "include the date by which
2.2 payment is due; the date after which, if the bill is not paid, a late payment charge will be
2.3 imposed; and the amount of the charge, if any."

2.4 Page 4, delete lines 17 and 18

2.5 Page 4, line 20, after "rent" insert "for electricity" and delete the colon and insert "comply
2.6 with this section, section 216B.022, and applicable sections of 504B.216, and is subject to
2.7 section 216B.024."

2.8 Page 4, after line 20, insert:

2.9 "(b) A landlord who submeters electricity must:"

2.10 Page 5, line 1, delete "(b)" and insert "(c)"

2.11 Page 5, line 4, before "A" insert "(a)"

2.12 Page 5, line 5, delete everything after "rent" and insert "for natural gas may either install
2.13 submeters or apportion natural gas."

2.14 Page 5, after line 5, insert:

2.15 "(b) A landlord who submeters natural gas usage must comply with this section, section
2.16 216B.022, and applicable sections of 504B.216, and is subject to section 216B.024.

2.17 (c) A landlord who apportions natural gas usage must comply with subdivisions 4, 5, 6,
2.18 7, and 8 of this section and applicable sections of 504B.216, and is subject to section
2.19 216B.024."

2.20 Page 5, line 6, after "for" insert "utility service may charge an administrative billing fee
2.21 as provided in Section 504B.216, subdivision 8."

2.22 Page 5, delete lines 7 to 9

2.23 Page 5, line 22, delete "agreements" and insert "plans" and delete "agreement" and insert
2.24 "plan"

2.25 Page 5, line 23, delete everything after the period

2.26 Page 5, line 24, delete "or legal aid services, payment agreements" and insert "The plan"

2.27 Page 5, line 26, delete "agreement" and insert "plan"

2.28 Page 5, line 30, delete "landlord, except that the duration of a payment agreement offered
2.29 by" and insert "landlord."

2.30 Page 5, delete line 31

- 3.1 Page 5, line 32, delete "legal aid services," and insert "The plan"
- 3.2 Page 5, line 34, delete "undercharge agreement" and insert "payment plan"
- 3.3 Page 6, line 13, after the second comma, insert "or a landlord of a shared-metered
- 3.4 building,"
- 3.5 Page 8, line 22, delete everything after the period
- 3.6 Page 8, delete line 23
- 3.7 Page 8, delete lines 26 to 29
- 3.8 Page 8, line 30, delete "(c)" and insert "(b)"
- 3.9 Page 9, line 1, delete "(d)" and insert "(c)"
- 3.10 Page 9, line 2, after "Submetering" insert "of electricity and natural gas" and delete "(a)"
- 3.11 and delete "is authorized to submeter" and insert "submeters"
- 3.12 Page 9, line 3, before the period, insert ", and is subject to section 216B.024"
- 3.13 Page 9, delete lines 4 to 14 and insert:
- 3.14 "Subd. 4. Submetering of water. (a) On or after January 1, 2025, any submeters installed
- 3.15 by a landlord to measure water and sewer usage must comply with standards established
- 3.16 by the local municipal water company for meters the company uses to measure water and
- 3.17 sewer service provided to the company's customers.
- 3.18 (b) A landlord who submeters water must:
- 3.19 (1) bill tenants according to the provisions of section 216B.023, subdivision 1, paragraphs
- 3.20 (a) to (c);
- 3.21 (2) charge tenants according to the provisions of section 216B.023, subdivision 2,
- 3.22 paragraphs (a) to (c); and
- 3.23 (3) comply with sections 216B.022, subdivision 4, and 216B.023, subdivisions 5, 6, 7,
- 3.24 and 8.
- 3.25 (c) A landlord may not charge to or collect from tenants any administrative, capital, or
- 3.26 any other expenses associated with the installation, maintenance, repair, replacement, or
- 3.27 reading of submeters, unless the expense is due to the tenant's willful, malicious, or negligent
- 3.28 conduct."
- 3.29 Page 9, line 15, after the first "Apportionment" insert "generally"
- 3.30 Page 9, after line 15, insert:

"(b) 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 natural gas 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."

Page 9, delete lines 16 to 34

Page 10, delete lines 1 to 19

Page 10, before line 20, insert

"Subd. 6. **Apportionment of natural gas.** A landlord may apportion natural gas used only in the tenant's unit and may apportion fixed meter or services charges and taxes only according to the formula set forth in clauses (1) to (4) and as agreed to by the landlord and tenant in the lease or a written agreement:

(1) a tenant's apportioned natural gas usage must be based solely on the square footage in the tenant's unit. A landlord may not charge any tenant for natural gas consumed in common areas or in spaces used exclusively or primarily by the landlord;

(2) if there is a fixed meter or service charge on the bill the landlord receives from the utility provider, the landlord may apportion to the tenant only the tenant's pro rata share of that 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;

(3) 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; and

(4) 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.

Subd. 7. **Apportionment of water and sewer.** A landlord may apportion water used only in the tenant's unit and may apportion fixed meter or services charges, fixed sewer charges, and taxes only according to the formula set forth in clauses (1) to (4) and as agreed to by the landlord and tenant in the lease or a written agreement:

(1) a tenant's apportioned water usage must be based solely on a combination of square footage in the tenant's unit and the unit's occupancy. A landlord may not charge any tenant for water usage in common areas, for maintenance of the property, for amenities including

but not limited to laundry facilities and pools, or in spaces used exclusively or primarily by the landlord;

(2) if there is a fixed meter or service charge on the bill the landlord receives from the utility provider, the landlord may apportion to the tenant only the tenant's pro rata share of that 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;

(3) 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; and

(4) 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.

Subd. 8. **Administrative billing charge.** A landlord who bills separately from rent for any utility service may charge a tenant a single administrative billing fee per billing period for all the utilities that are separately billed that do not exceed \$8. No other fees may be charged to or collected from tenants for utility service, including but not limited to any administrative, capital, or any other expenses associated with the installation, maintenance, repair, replacement, or reading of submeters, unless the expense involving a submeter is due to the tenant's willful, malicious, or negligent conduct."

Page 11, delete lines 5 to 8 and insert:

"(2) an eviction action may not be filed and any eviction already filed must be stayed for:

(i) the failure to pay gas or electric utility service charges during the cold weather period;

(ii) the failure to pay electric utility charges during a heat emergency; and

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

Page 14, after line 15, insert:

"Subd. 14. **Violations.** A violation of subdivisions 2 to 9 is a violation of sections 504B.161 and 504B.221."

6.1 Renumber the subdivisions in sequence

6.2 Amend the title accordingly

6.3 And when so amended the bill do pass. Amendments adopted. Report adopted.

6.4 _____
6.5 (Committee Chair)

6.6
6.7 (Date of Committee recommendation)