

MAR 13 1997

COMMERCE AND REGULATION

HOUSE FILE

610

BY FALLON

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
 Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the liability for unpaid rates or charges of a  
 2 city utility or enterprise service for water, sewage, and  
 3 solid waste services.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 610

1 Section 1. Section 384.84, subsection 3, paragraphs a, c,  
2 and d, Code 1997, are amended to read as follows:

3 a. All rates or charges for the services of sewer systems,  
4 storm water drainage systems, sewage treatment, solid waste  
5 collection, water, solid waste disposal, or any of these  
6 services, if not paid as provided by ordinance of the council  
7 or resolution of the trustees, are a lien upon the property or  
8 premises served, other than residential rental property, by  
9 any of these services upon certification to the county  
10 treasurer that the rates or charges are due.

11 c. A lien for a city utility or enterprise service under  
12 paragraph "a" shall not be certified to the county treasurer  
13 for collection unless prior written notice of intent to  
14 certify a lien is given to the account holder of the  
15 delinquent account. If the account holder is a tenant, and if  
16 the owner or landlord of the property has made a written  
17 request for notice, the notice shall also be given to the  
18 owner or landlord. The notice shall be sent to the  
19 appropriate persons by ordinary mail not less than ten days  
20 prior to certification of the lien to the county treasurer.

21 ~~For-a-residential~~ Residential rental property where-a  
22 ~~charge-for-water-service-is-separately-metered-and-paid~~  
23 ~~directly-by-the-tenant, the rental property~~ is exempt from a  
24 lien under this subsection for those delinquent rates or  
25 ~~charges incurred after the landlord gives written notice to~~  
26 ~~the city utility or enterprise that the tenant is liable for~~  
27 ~~the charges and a deposit not exceeding the usual cost of~~  
28 ~~ninety days of water service is paid to the utility or~~  
29 ~~enterprise. Upon receipt, the utility or enterprise shall~~  
30 ~~acknowledge the notice and deposit. A written notice shall~~  
31 ~~contain the name of the tenant responsible for charges,~~  
32 ~~address of the property that the tenant is to occupy, and the~~  
33 ~~date that the occupancy begins. A change in tenant shall~~  
34 ~~require a new written notice and deposit. When the tenant~~  
35 ~~moves from the rental property, the city utility or enterprise~~

1 ~~shall return the deposit if the water service charges are paid~~  
 2 ~~in full and the lien exemption shall be lifted from the rental~~  
 3 ~~property. -- The lien exemption for rental property does not~~  
 4 ~~apply to charges for repairs to a water service if the repair~~  
 5 ~~charges become delinquent. The residential rental property~~  
 6 ~~tenant is liable for such charges.~~

7 EXPLANATION

8 This bill eliminates the lien on residential rental  
 9 property for unpaid rates or charges associated with a city  
 10 utility or enterprise service, including sewer systems, storm  
 11 water drainage systems, sewage treatment, solid waste  
 12 collection, water, and solid waste disposal. The residential  
 13 rental property tenant remains liable for these unpaid rates  
 14 or charges.

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