

House File 56 - Introduced

HOUSE FILE 56

BY ISENHART

A BILL FOR

1 An Act relating to energy cost disclosures in connection with
2 rental units or properties, providing penalties, making
3 remedies applicable, and including applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476.56, Code 2013, is amended to read as
2 follows:

3 **476.56 Energy costs provided.**

4 A gas or electric public utility shall provide, upon the
5 request of a person who states in writing that the person is an
6 owner of real property, or an interested prospective purchaser
7 ~~or renter~~ of the property, which is or has been receiving gas
8 or electric service from the public utility, the annual gas or
9 electric energy costs for the property.

10 Sec. 2. NEW SECTION. **476.56A Energy cost disclosure**
11 **statements — rental property.**

12 1. As used in this section, "*dwelling unit*", "*landlord*",
13 "*rental agreement*", "*rental deposit*", and "*tenant*" mean the same
14 as defined in section 562A.6. In addition, "*landlord*" shall
15 include any person authorized to enter into a rental agreement
16 on the landlord's behalf.

17 2. A prospective tenant who would be responsible for the
18 payment of gas or electric energy costs with respect to the
19 lease or rental of residential real property, or an existing
20 tenant currently responsible for the payment of such costs,
21 has the right to obtain the amount of energy consumption and
22 the cost of that consumption for the dwelling unit for the
23 preceding twelve-month period from the landlord based upon
24 information supplied at no charge from the public utility
25 furnishing gas or electric service. The amount of energy
26 consumption and the cost of that consumption shall be provided
27 on a disclosure statement developed pursuant to subsection 3
28 and furnished by the landlord either to a prospective tenant
29 expressing interest in entering into a rental agreement,
30 or upon request by an existing tenant subject to such an
31 agreement.

32 3. The office of the consumer advocate shall develop an
33 energy cost disclosure form for utilization by landlords
34 in complying with this section. The form shall contain
35 space for the disclosure of the annual amount of energy

1 consumption and the cost of that consumption, and shall also
2 include a representative list of energy efficiency standards
3 incorporating features or upgrades which a dwelling unit or
4 the building of which it is a part might conceivably exhibit
5 or offer. The list of energy efficiency standards shall
6 be developed by the office of the consumer advocate, in
7 consultation with state and federal energy efficiency agencies
8 and experts, and shall be accompanied by a space for notation
9 by the landlord indicating whether or not the unit or building
10 meets or exceeds each standard. The office of the consumer
11 advocate and local housing authorities responsible for the
12 issuance of residential rental property permits shall post and
13 maintain the recommended standards required by this section,
14 and detailed information on how to comply with the standards,
15 on an internet site maintained by the office and an internet
16 site maintained by or on behalf of the local housing authority.

17 4. Before a prospective tenant enters into a rental
18 agreement or pays a rental deposit with respect to a dwelling
19 unit, the landlord shall obtain the prospective tenant's
20 signature on the disclosure statement, and sign the statement.
21 The statement shall be retained by the landlord for a minimum
22 of three years.

23 5. The board, in consultation with the office of the
24 consumer advocate, shall adopt rules to administer this
25 section.

26 6. In addition to any other remedy available pursuant
27 to chapter 562A, upon receipt of a complaint filed by a
28 prospective tenant or tenant that the provisions of this
29 section are not being complied with, a local entity with
30 regulatory authority shall suspend the rental license for any
31 unit for which an energy disclosure statement is not provided
32 upon expiration of a seven-day period following notification
33 to the landlord of the complaint. In this event the tenant
34 shall be entitled to a return of all prepaid rent and security.
35 A processing fee may be assessed by the local authority for

1 reinstated licenses.

2 Sec. 3. Section 562A.13, Code 2013, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 4A. The landlord or any person authorized
5 to enter into a rental agreement on the landlord's behalf shall
6 comply with the provisions of section 476.56A with regard to
7 energy cost disclosure forms for utility rates, charges, and
8 services to be paid by the tenant directly to the utility
9 company.

10 Sec. 4. APPLICABILITY. This Act applies to rental
11 agreements entered into on or after January 1, 2014.

12 EXPLANATION

13 This bill relates to the disclosure of energy costs to
14 tenants and prospective tenants of residential dwelling units.

15 The bill modifies provisions of existing Code section
16 465.56, relating to the provision of energy costs upon request
17 by a gas or electric utility with regard to the purchase or
18 rental of real property, to provide that the Code section
19 refers to ownership or prospective ownership of real property,
20 not the rental or prospective rental thereof.

21 The bill establishes a new Code section 476.56A relating
22 to the provision of energy cost disclosure statements in
23 connection with rental property. The bill provides that a
24 prospective tenant who would be responsible for the payment
25 of gas or electric energy costs with respect to the lease or
26 rental of residential real property, or an existing tenant
27 currently responsible for the payment of such costs, has the
28 right to obtain the amount of energy consumption and the cost
29 of that consumption for the dwelling unit for the preceding
30 12-month period from the landlord based upon information
31 supplied at no charge from the public utility furnishing gas or
32 electric service.

33 The bill provides that the energy cost information will
34 be provided on a disclosure statement furnished by the
35 landlord utilizing a form developed by the office of consumer

1 advocate. The bill specifies that the form shall contain
2 space for the disclosure of the annual amount of energy
3 consumption and the cost of that consumption, and shall also
4 include a representative list of energy efficiency standards
5 incorporating features or upgrades which a dwelling unit or
6 the building of which it is a part might conceivably exhibit
7 or offer. The office is directed to develop the list of energy
8 efficiency standards in consultation with state and federal
9 energy efficiency agencies and experts. The list shall be
10 accompanied by a space for notation by the landlord indicating
11 whether or not the unit or building meets or exceeds each
12 standard. The bill provides that the office of the consumer
13 advocate and local housing authorities responsible for the
14 issuance of residential rental property permits shall post and
15 maintain the recommended standards, and detailed information on
16 how to comply with them, on an internet site maintained by the
17 office and the local housing authority.

18 The bill provides that prior to a prospective tenant
19 entering into a rental agreement or paying a rental deposit
20 with respect to a dwelling unit, the landlord shall obtain the
21 prospective tenant's signature on the disclosure statement, and
22 sign the statement. The landlord is required to retain the
23 statement for a minimum of three years.

24 The bill directs the Iowa utilities board, in consultation
25 with the office of the consumer advocate, to adopt rules
26 to administer the bill's provisions. The bill states that
27 in addition to any other remedy available pursuant to Code
28 chapter 562A (Uniform Residential Landlord and Tenant Act),
29 upon receipt of a complaint filed by a prospective or existing
30 tenant that the bill's provisions are not being complied with,
31 a local housing authority shall suspend the rental license
32 for any unit for which an energy disclosure statement is not
33 provided upon expiration of a seven-day period following
34 notification to the landlord of the complaint. In this event,
35 the bill states that a tenant shall be entitled to the return

1 of all prepaid rent and any security deposit. A processing fee
2 may be assessed by the local authority for reinstated licenses.

3 The bill amends Code section 562A.13, regarding required
4 landlord disclosures to tenants, to require that a landlord
5 or any person authorized to enter into a rental agreement on
6 the landlord's behalf complies with the bill's provisions with
7 regard to energy cost disclosure forms for utility rates,
8 charges, and services to be paid by a tenant directly to a
9 utility company.

10 The bill references existing definitions of "dwelling unit",
11 "landlord", "rental agreement", "rental deposit", and "tenant"
12 as meaning the same as defined in Code section 562A.6, and adds
13 that "landlord" shall include any person authorized to enter
14 into a rental agreement on the landlord's behalf.

15 The bill's provisions are applicable to rental agreements
16 entered into on or after January 1, 2014.