

FIRST REGULAR SESSION

# SENATE BILL NO. 274

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LEMBKE.

Read 1st time February 14, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

1458S.011

## AN ACT

To amend chapters 386 and 441, RSMo, by adding thereto two new sections relating to water and sewer services for rental property.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapters 386 and 441, RSMo, are amended by adding thereto  
2 two new sections, to be known as sections 386.021 and 441.239, to read as follows:

**386.021. An owner or operator of a premises or the owner or  
2 operator's third-party water and sewer usage billing provider who  
3 furnishes water and sewer services to lessees and charges lessees  
4 separately for their use of water and sewer services in accordance with  
5 section 441.239 shall not be considered a "public utility", "sewer  
6 corporation", or "water corporation" under this chapter or chapter 393.**

**441.239. 1. Except as otherwise provided for within this section,  
2 an owner or operator of premises who is supplied water and sewer  
3 services by a "public utility" as defined in section 386.020, or other state  
4 certified corporation, and who furnishes water and sewer services only  
5 to lessees on the premises and not to the public, may:**

**6 (1) Utilize a separate meter to measure water and sewer usage  
7 within lessees' dwelling units and charge lessees separately for water  
8 and sewer usage in accordance with the measurement calculated  
9 through use of this separate meter; or**

**10 (2) Employ a program that utilizes a mathematical formula for  
11 the purpose of calculating and allocating among all lessees those  
12 aggregate water and sewer usage charges for which the owner or  
13 operator receives a bill.**

**14 2. An owner or operator of premises upon which common areas  
15 are available for use by all lessees may, in accordance with this section,**

16 utilize a mathematical formula for the purpose of calculating and  
17 allocating among all lessees those aggregate, common area water and  
18 sewer usage charges for which the owner or operator receives a bill.

19 3. An owner or operator of premises who seeks to charge lessees  
20 separately for water and sewer usage in accordance with subdivision  
21 (1) of subsection 1 of this section shall disclose on each lessee's water  
22 and sewer usage bill the lessee's individual water and sewer usage  
23 charges during the current billing period, meter readings taken at the  
24 beginning and end of the current billing period, and the dates those  
25 meter readings were taken.

26 4. An owner or operator of premises who seeks to allocate water  
27 and sewer usage charges among lessees in accordance with subdivision  
28 (2) of subsection 1 of this section and subsection 2 of this section shall  
29 first provide to potential lessees a clear and written description of the  
30 mathematical formula used to calculate and allocate water and sewer  
31 usage charges prior to the commencement of a lease.

32 5. The total amount of water and sewer usage charges billed to  
33 lessees in accordance with subsections 1 and 2 of this section shall not  
34 exceed the amount charged to the owner or operator by the public  
35 utility or state certified corporation, including applicable taxes and  
36 surcharges.

37 6. An owner or operator may charge and collect from lessees  
38 reasonable fees for costs incurred by the owner or operator related to  
39 the provision of administrative services undertaken to implement water  
40 and sewer usage billing in accordance with subsections 1 and 2 of this  
41 section, provided that such charges are first disclosed to lessees prior  
42 to the commencement of a lease.

43 7. An owner or operator may charge and collect from lessees a  
44 fee for late payment of charges billed to lessees in accordance with  
45 subsections 1 and 2 of this section. The late charge shall be deemed  
46 "rent".

47 8. An owner or operator of premises may hire a third-party  
48 provider to carry out water and sewer usage billing services in  
49 accordance with subsections 1 and 2 of this section. In carrying out  
50 water and sewer usage billing services on behalf of an owner or  
51 operator of premises, a third-party water and sewer usage billing  
52 provider shall comply with subsections 3, 4, and 5 of this section.

53           **9. An owner or operator's third-party water and sewer usage**  
54 **billing provider may charge and collect from lessees reasonable fees for**  
55 **costs incurred related to the provision of administrative services**  
56 **undertaken to implement water and sewer usage billing in accordance**  
57 **with subsection 6 of this section.**

58           **10. An owner or operator's third-party water and sewer usage**  
59 **billing provider may charge and collect from lessees a fee for late**  
60 **payment of charges billed to lessees in accordance with subsection 7 of**  
61 **this section. The late charge shall be deemed "rent".**

62           **11. An owner or operator of premises or the owner or operator's**  
63 **third-party water and sewer usage billing provider's furnishing to**  
64 **lessees of water and sewer services and the charging of lessees**  
65 **separately for their use of water and sewer services in accordance with**  
66 **this section shall not constitute the sale or resale of water and sewer**  
67 **services which may be subject to the jurisdiction of the Missouri Public**  
68 **Service Commission.**

Bill ✓

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