

House File 524 - Introduced

HOUSE FILE 524
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HSB 200)

A BILL FOR

1 An Act relating to city utilities and city enterprises by
2 making changes to requirements related to commercial rental
3 property.

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

1 Section 1. Section 384.84, subsection 4, paragraph d, Code
2 2013, is amended to read as follows:

3 d. (1) Residential or commercial rental property where
4 a charge for water service is separately metered and paid
5 directly to the city utility or enterprise by the tenant is
6 exempt from a lien for delinquent rates or charges associated
7 with such water service if the landlord gives written notice to
8 the city utility or enterprise that the property is residential
9 or commercial rental property and that the tenant is liable
10 for the rates or charges. A city utility or enterprise may
11 require a deposit not exceeding the usual cost of ninety days
12 of water service to be paid to the utility or enterprise. Upon
13 receipt, the utility or enterprise shall acknowledge the notice
14 and deposit. A written notice shall contain the name of the
15 tenant responsible for charges, address of the residential or
16 commercial rental property that the tenant is to occupy, and
17 the date that the occupancy begins.

18 (2) A change in tenant for a residential rental property
19 shall require a new written notice to be given to the city
20 utility or enterprise within thirty business days of the change
21 in tenant. A change in tenant for a commercial rental property
22 shall require a new written notice to be given to the city
23 utility or enterprise within ten business days of the change
24 in tenant. When the tenant moves from the rental property,
25 the city utility or enterprise shall return the deposit if the
26 water service charges are paid in full.

27 (3) A change in the ownership of the residential rental
28 property shall require written notice of such change to be
29 given to the city utility or enterprise within thirty business
30 days of the completion of the change of ownership. A change in
31 the ownership of the commercial rental property shall require
32 written notice of such change to be given to the city utility
33 or enterprise within ten business days of the completion of the
34 change of ownership.

35 (4) The lien exemption for rental property does not apply to

1 charges for repairs to a water service if the repair charges
2 become delinquent.

3

EXPLANATION

4 The bill relates to city utilities and city enterprises by
5 making changes to requirements related to commercial rental
6 property.

7 Current law provides certain exemptions and requirements
8 related to residential rental property that is individually
9 metered and where a charge for water service is separately
10 metered and paid directly to a city utility or enterprise by a
11 tenant. The bill extends these exemptions and requirements to
12 commercial rental property with shorter allowable notification
13 periods applied to commercial landlords.

14 The bill provides that commercial rental property is exempt
15 from a lien for delinquent rates or charges associated with
16 charges for water service if the landlord gives written notice
17 to the city utility or city enterprise that the property is
18 commercial rental property and that the tenant is liable for
19 the rates or charges. The bill provides that a city utility or
20 city enterprise may require a deposit not exceeding the usual
21 cost of 90 days of provision of such services to be paid to the
22 city utility or city enterprise. The bill requires that the
23 city utility or city enterprise acknowledge the receipt of such
24 notice and deposit. The bill requires that a written notice
25 contain the name of the tenant, the address of the commercial
26 rental property that the tenant is to occupy, and the date that
27 the occupancy begins. The bill requires that the city utility
28 or city enterprise return the deposit paid if the charges for
29 such services are paid in full when the tenant moves from the
30 rental property. The bill provides that the lien exemption
31 does not apply to charges for repairs related to water service
32 if the repair charges become delinquent.

33 The bill further requires that written notice be provided
34 to a city utility or city enterprise providing such services
35 within 10 business days when there is a change in tenant or

H.F. 524

1 a change in ownership of commercial rental property. Under
2 current law, the notification period for a change in tenant
3 or a change in ownership of residential rental property is 30
4 business days.