

# H.F. 156

As amended by H0156DE1

**Subject** Utility metering in manufactured home parks

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## Overview

Minnesota law proscribes conditions and rules under which a manufactured home park owner may charge residents for utility services.

This bill would modify those rules and conditions to limit utility charges to those charges paid by a park owner to a public or municipal utility, to limit charges to park residents for administrative utility fees and for the owner's use of utilities, to provide rules for the installation, maintenance, and repair of utility measuring devices, and to allow water to be billed separately from the rent after installation of a water meter for a resident whose rent had previously included water service.

## Summary

| Section | Description   |
|---------|---|
| 1       | <b>Commodity rate.</b><br>Defines "commodity rate" as the price of a unit of utility service that is approved by the state, a municipal public utilities commission, or a municipality.   |
| 2       | <b>Public utility.</b><br>Defines "public utility" by reference to the definition found in Minn. Stat. section 216B.02, subdivision 4.  |
| 3       | <b>Substantial modification.</b><br>Specifies that the installation of water meters and subsequent billing for water service is not a substantial modification of a manufactured home park lease provided the park owner meets the requirements established in this bill. |
| 4       | <b>Utility provider.</b><br>Defines a utility provider as a public utility, an electric cooperative association, or a municipal utility.  |

| Section | Description   |
|---------|---|
| 5       | <b>Utility service.</b><br>Contracts the definition of “utility service” to apply only to utility services provided by a public utility or a municipal utility.   |
| 6       | <b>Billing permitted.</b><br>Modifies provisions allowing park owners to charge residents for utility services so that the provisions apply only to park owners redistributing utility services provided by a public utility, a cooperative electric association, or a municipal utility.   |
| 7       | <b>Metering required.</b><br>Requires utility measuring devices in a park to be installed by licensed plumbers or electricians. Requires park owners to investigate reports of broken utility measuring devices and to repair or replace broken devices. Prohibits park owners from charging for the costs of repairing or replacing broken equipment unless the park owner can prove the resident caused the damage willfully. Requires park owners to reimburse park residents for utility overcharges caused by defective utility measuring devices. |
| 8       | <b>Utility charges for metered service.</b><br>Prohibits park owners from charging residents a commodity rate higher than what the owner pays the utility provider. Requires the park owner to deduct from residents’ utility bills the owner’s share of the charges. Prohibits park owners from charging residents administrative or capital expenses, such as charges for disconnection or late fees.   |
| 9       | <b>Rent increases following installation of water meters.</b><br>Prohibits rental increases for 15 months after a park owner begins billing water services to a resident whose lease included water services. Requires the park owner to provide a sample water bill for three months before billing for water services.  |
| 10      | <b>Repealer.</b><br>Repeals Minn. Stat. section 327C.04, subdivisions 3 and 4, the provisions which currently govern how park owners may charge residents for their utilities.  |



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