

HCS HB 2105 -- WATER AND SEWER SERVICE FOR RENTAL PROPERTY

SPONSOR: Casteel

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on General Laws by a vote of 14 to 0. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 11 to 1.

The following is a summary of the House Committee Substitute for HB 2105.

The bill specifies that a landlord or a landlord's water and sewer service billing provider is not a public utility or water or sewer corporation for purposes of regulation by the Public Service Commission, nor will the lessees of the owner or operator of the premises be considered a customer of any public utility, sewer corporation, or water corporation.

A landlord can apportion charges for water and sewer services to tenants by actually measuring individual tenant utility usage with a meter or by allocating charges through use of a mathematical formula. Landlords can use a mathematical formula to apportion water and sewer charges for common areas to each tenant. If using a meter, landlords must disclose certain information about the meter readings on the tenant's bill. If using a mathematical formula, landlords must disclose the formula to a prospective tenant before entering into a lease.

The total amount billed to tenants by a landlord for water and sewer service must not exceed the total amount owed by the landlord to the utility for service to the property, except that landlords can charge tenants for reasonable administrative costs, provided that the administrative costs are disclosed before the signing of a lease. Landlords can also charge late fees, which will be considered part of a tenant's rent. Landlords can use third-party billing providers to bill tenants for water and sewer service, but the providers must comply with requirements in the same manner as landlords.

This bill is similar to HB 1488 (2025).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that this bill will provide transparency for all parties involved, especially the tenant. If these provisions are not adopted, it is likely that tenants will continue to incur ever-greater fees and other costs associated with regular utilities. Supporters further state that landlords would also benefit from this bill because they would have the option to apportion certain charges for water and sewer utilities based on their individual needs, as opposed to other entities making those decisions for them.

Testifying in person for the bill were Representative Casteel; Missouri Apartment Association; Amanda Randell, St. Louis Apartment Association; Jana Millard, Missouri Apartment Association; Missouri American Water; and Arnie C. Dienoff.

OPPONENTS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.