

**STATE OF MARYLAND
OFFICE OF PEOPLE'S COUNSEL**

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BILL NO.: **House Bill 261**
Public Utilities – Termination of Service to
Multifamily Dwelling Unit – Notification to Property
Owner or Manager

COMMITTEE: **Economic Matters**

HEARING DATE: **February 2, 2016**

SPONSORS: **Delegates Jackson et al.**

POSITION: **Informational**

House Bill 261 imposes additional notice requirements on public service companies in the event of termination of utility service to a customer who resides in a multi-unit dwelling or building. The Bill requires the utility to send a notice of service termination not only to the tenant but to the property owner or manager. The new notice requirement would only apply to those property owners or managers who actually enroll in a service termination notification program established under Public Service Commission (Commission) regulations. As OPC understands it, the original impetus for the Bill was public safety – that is, to provide an alert to property managers to avoid a potentially hazardous situation to other tenants in the building.

Currently, Commission regulations require utility companies to notify customers of the availability of third party notice. It is the customer's choice to decide whether he wants to designate a third party to receive termination notices in addition to the notice sent directly to the customer. See COMAR 20.31.01.07. The Bill does not give the customer in the multifamily dwelling unit a say in whether the property owner or property manager should receive third party notice. Additionally, the Bill may raise privacy concerns for certain customers as the customer may not

want a property owner or property manager to know information about the customer's financial issues. While the Office of People's Counsel is not involved in landlord /tenant issues, it is possible that this issue could be resolved by insertion of clauses in leases requiring the tenant to permit the property owner or manager to receive third party notices under the existing regulations or to enroll in a service termination notification program if the Bill is passed.