

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 An Act to amend and reenact § 15.2-2119 of the Code of Virginia, relating to delinquent water and
3 sewer charges.

4 [H 919]
5 Approved

6 **Be it enacted by the General Assembly of Virginia:**
7 **1. That § 15.2-2119 of the Code of Virginia is amended and reenacted as follows:**
8 **§ 15.2-2119. Fees and charges for water and sewer services.**

9 A. For water and sewer services provided by localities, fees and charges may be charged to and
10 collected from (i) any person contracting for the same; (ii) the owner who is the occupant of the
11 property or where a single meter serves multiple units; (iii) a lessee or tenant, provided that the lessee or
12 tenant has written authorization from the owner of the property to obtain water and sewer services in the
13 name of such lessee or tenant with such fees and charges applicable for water and sewer services (a)
14 which directly or indirectly is or has been connected with the sewage disposal system and (b) from or
15 on which sewage or industrial wastes originate or have originated and have directly or indirectly entered
16 or will enter the sewage disposal system; or (iv) any user of a municipality's water or sewer system with
17 respect to combined sanitary and storm water sewer systems where the user is a resident of the
18 municipality and the purpose of any such fee or charge is related to the control of combined sewer
19 overflow discharges from such systems. Such fees and charges shall be practicable and equitable and
20 payable as directed by the respective locality operating or providing for the operation of the water or
21 sewer system. A locality providing water and sewer services may establish, by adoption of a resolution,
22 that water and sewer services may be provided to a lessee or tenant pursuant to provision (iii) without
23 obtaining an authorization form from the property owner. For purposes of this section, a written or
24 electronic authorization from the owner of the property to obtain water and sewer services in the name
25 of such lessee or tenant substantially in the form as follows shall be sufficient compliance with this
26 section:

27 DATE
28 [INSERT NAME OF WATER AND SEWER SERVICES PROVIDER AND ADDRESS]
29 _____
30 _____
31 _____

32 RE: [INSERT FULL TENANT NAME AND ADDRESS]
33 _____
34 _____
35 _____

36 To Whom It May Concern:
37 [INSERT TENANT NAME] has entered into a lease for the property located at [INSERT
38 ADDRESS] and is authorized to obtain services at this address as a tenant of [INSERT PROPERTY
39 OWNER NAME].

40 Signed: _____
41 PROPERTY OWNER

42 B. Such fees and charges, being in the nature of use or service charges, shall, as nearly as the
43 governing body deems practicable and equitable, be uniform for the same type, class and amount of use
44 or service of the sewage disposal system, and may be based or computed either on the consumption of
45 water on or in connection with the real estate, making due allowances for commercial use of water, or
46 on the number and kind of water outlets on or in connection with the real estate or on the number and
47 kind of plumbing or sewage fixtures or facilities on or in connection with the real estate or on the
48 number or average number of persons residing or working on or otherwise connected or identified with
49 the real estate or any other factors determining the type, class and amount of use or service of the
50 sewage disposal system, or any combination of such factors, or on such other basis as the governing
51 body may determine. Such fees and charges shall be due and payable at such time as the governing
52 body may determine, and the governing body may require the same to be paid in advance for periods of
53 not more than six months. The revenue derived from any or all of such fees and charges is hereby
54 declared to be revenue of such sewage disposal system.

55 C. Water and sewer connection fees established by any locality shall be fair and reasonable. Such
56 fees shall be reviewed by the locality periodically and shall be adjusted, if necessary, to assure that they

57 continue to be fair and reasonable. Nothing herein shall affect existing contracts with bondholders which
58 are in conflict with any of the foregoing provisions.

59 D. If the fees and charges charged for water service or the use and services of the sewage disposal
60 system by or in connection with any real estate are not paid when due, a penalty and interest shall at
61 that time be owed as provided for by general law, and the owner, lessee, or tenant, as the case may be,
62 of such real estate shall, until such fees and charges are paid with such penalty and interest to the date
63 of payment, cease to dispose of sewage or industrial waste originating from or on such real estate by
64 discharge thereof directly or indirectly into the sewage disposal system. If such owner, lessee, or tenant
65 does not pay the full amount of charges, penalty, and interest for water provided or cease such disposal
66 within ~~two months~~ 30 days thereafter, the locality or person supplying water or sewage disposal services
67 for the use of such real estate *shall notify such owner, lessee, or tenant of the delinquency. If such*
68 *owner, lessee, or tenant does not pay the full amount of charges, penalty, and interest for water*
69 *provided or cease such disposal within 60 days after the delinquent fees and charges charged for water*
70 *or sewage disposal services are due, the locality or person supplying water or sewage disposal services*
71 *for the use of such real estate shall* may cease supplying water and sewage disposal services thereto
72 unless the health officers certify that shutting off the water will endanger the health of the occupants of
73 the premises or the health of others. *At least ten business days prior to ceasing the supply of water or*
74 *sewage disposal services, the locality or person supplying such services shall provide the owner, lessee,*
75 *or tenant with written notice of such cessation.*

76 E. Such fees and charges, and any penalty and interest thereon, shall constitute a lien against the
77 property, ranking on a parity with liens for unpaid taxes.

78 A lien may be placed on the property in the amount of up to three months of delinquent water and
79 sewer charges, any applicable penalties and interest on such delinquent charges, and reasonable attorney
80 fees and other costs of collection not exceeding 20 percent of such delinquent charges. In no case shall
81 a lien for less than \$25 be placed against the property. In the case of services to a lessee or tenant, if
82 the locality does not cease supplying water to the lessee or tenant ~~60~~ within 60 days after the bill
83 becomes delinquent, unless water is required to be provided pursuant to subsection D or other applicable
84 law, there shall be no lien placed on the property for charges and collection costs beyond the 60-day
85 period and no recourse against the property owner for service beyond the 60-day period.

86 F. Unless the locality has adopted a resolution to not require authorization from land owners for
87 water and sewer service provided to lessees or tenants pursuant to subsection A, a lien may be placed
88 on the property for water and sewer services used by a lessee or tenant only if the locality has (i)
89 advised the owner of the property in writing that a lien may be placed on the property if the lessee or
90 tenant fails to pay any delinquent water and sewer charges; (ii) mailed by first-class mail to the owner
91 of the property, or sent electronically if requested by the owner, at the address listed in the written
92 authorization from the owner of the property (or such other address as the owner may provide), a
93 duplicate copy of the final bill sent to the lessee or tenant at the time of sending the final bill to such
94 lessee or tenant; (iii) collected a security deposit from the lessee or tenant as reasonably determined by
95 the locality to be sufficient to collateralize the locality for not less than three and no more than five
96 months of water and sewer charges; (iv) ~~has~~ applied the security deposit held by the locality to the
97 payment of the outstanding balance; (v) ~~has~~ employed reasonable collection efforts and practices to
98 collect amounts due from a lessee or a tenant including filing for the Set-Off Debt Collection Program if
99 the locality is a participant; and (vi) ~~has~~ provided the property owner with 30 days' written notice with a
100 copy of the final bill to allow the property owner a reasonable opportunity to pay the amount of any
101 outstanding balance and avoid the recordation of a lien against the property. If the property owner fails
102 to pay the amount of the outstanding balance within the 30-day period, the locality may record a lien in
103 the amount of the outstanding balance against the property owner. Upon payment of the outstanding
104 balance, or any portion thereof, or of any amounts of such fees and charges owed by the former tenant,
105 the property owner shall be entitled to receive any refunds and shall be subrogated against the former
106 tenant in place of the locality in the amount paid by the property owner. The locality shall execute all
107 documents necessary to perfect such subrogation in favor of the property owner.

108 G. When the owner has provided the lessee or tenant with written authorization from the owner of
109 the property to obtain water and sewer services in the name of such lessee or tenant, nothing herein
110 shall be construed to authorize the locality to require (i) the owner to put water and sewer services in
111 the name of the owner, except in the case where a single meter serves multiple tenant units, or (ii) a
112 security deposit or a guarantee of payment from an owner of property.

113 H. The locality shall not require a security deposit from the lessee or tenant to obtain water and
114 sewer services in the name of such lessee or tenant if such lessee or tenant presents to the locality a
115 landlord authorization letter which has attached documentation showing such lessee or tenant receives
116 need-based local, state, or federal rental assistance, and the absence of a security deposit shall not
117 prevent a locality from exercising its lien rights as authorized under subsection F.

118 I. Unless a lien has been recorded against the property owner, the locality shall not deny service to a
 119 new tenant who is requesting service at a particular property address based upon the fact that a former
 120 tenant has not paid any outstanding fees and charges charged for the use and services in the name of the
 121 former previous tenant. In addition, the locality shall provide information relative to a former tenant or
 122 current tenant to the property owner upon request of the property owner. If the property owner provides
 123 the locality a request to be notified of a tenant's delinquent water bill and provides an email address, the
 124 locality shall send the property owner notice when a tenant's water bill has become 15 days delinquent.

125 J. Notwithstanding any provision of law to the contrary, any town with a population between 11,000
 126 and 14,000, with the concurrence of the affected county, which provides and operates sewer services
 127 outside its boundaries may provide sewer services to industrial and commercial users outside its
 128 boundaries and collect such compensation therefor as may be contracted for between the town and such
 129 user. Such town shall not thereby be obligated to provide sewer services to any other users outside its
 130 boundaries.

131 K. The lien shall not bind or affect a subsequent bona fide purchaser of the real estate for valuable
 132 consideration without actual notice of the lien until the amount of such delinquent charges is entered in
 133 the official records of the office of the clerk of the circuit court in the jurisdiction in which the real
 134 estate is located. The clerk shall make and index the entries in the clerk's official records for a fee of \$5
 135 per entry, to be paid by the locality and added to the amount of the lien.

136 L. The lien on any real estate may be discharged by the payment to the locality of the total lien
 137 amount and the interest which has accrued to the date of the payment. The locality shall deliver a fully
 138 executed lien release substantially in the form set forth in this subsection to the person making the
 139 payment. The locality shall provide the fully executed lien release to the person who made payment
 140 within 10 business days of such payment if the person who made such payment did not personally
 141 appear at the time of such payment. Upon presentation of such lien release, the clerk shall mark the lien
 142 satisfied. There shall be no separate clerk's fee for such lien release. For purposes of this section, a lien
 143 release of the water and sewer lien substantially in the form as follows shall be sufficient compliance
 144 with this section:

145 Prepared By and When
 146 Recorded Return to:
 147 _____
 148 _____
 149 _____

150 Tax Parcel/GPIN Number: _____
 151 CERTIFICATE OF RELEASE OF WATER AND SEWER SERVICE LIEN
 152 Pursuant to Va. Code Annotated § 15.2-2119 (L), this release is exempt from recordation fees.

153 Date Lien Recorded: _____ Instrument Deed Book No.: _____
 154 Grantee for Index Purposes: _____

155 Claim Asserted: Delinquent water and sewer service charges in the amount of \$_____.

156 Description of Property: [Insert name of property owner and tax map parcel/GPIN Number]
 157 The above-mentioned lien is hereby released.

158 BY: _____
 159 TITLE: _____

160 COMMONWEALTH OF VIRGINIA
 161 CITY/COUNTY OF _____, to-wit:

162 Acknowledged, subscribed, and sworn to before me this _____ day of _____,
 163 by _____ as _____ of the [Insert Water/Sewer Provider Name]
 164 on behalf of [Insert Water/Sewer Provider Name].

165 _____
 166 Notary Public
 167 My commission expires: _____
 168 Notary Registration Number: _____