

Testimony from Lila J. Wohlwend, Broker, Clear Sky Realty, Inc. re: support of HB 93.

Chairwoman John, Vice Chair Dean, Ranking Member Brennan, and members of the committee, my name is Lila Wohlwend, and I am a property manager that represents 46 owners and around 500 homes in the Stark County and surrounding area. I have been in the property management industry for 20 years and hope my experience will be a benefit for you today. I appreciate your time in allowing me to testify in support of House Bill 93.

Over the years I have watched multiple municipal utility departments put liens on properties against non-owner-occupied residences for charges that owners did not agree to or have the control to limit.

For example, I have an owner in the Alliance area who never signed for water service, yet the water department started service without authorization, refused to turn it off, and then put a lien on the property for \$1,196.60 for usage from a tenant.

This same water company has repeatedly ignored another owner's repeated pleas to turn off water service for tenants that were running up bills and not paying for them. As a management company, we made two calls a month for 4 months to get service disconnected per the water department's own threats and policies which say they would turn it off. They still did not do so until the day the bailiff performed the setout on the eviction for the non-paying tenant. Then, with a bill of \$1,540.97, they turned it off when the owner would have needed to start service to get the property cleaned up. Why should they have turned it off sooner if they knew that the property owner would have to pay all of it to get future service, even if they didn't authorize the initial service to begin with?

I wish I could say these two stories are isolated incidents. However, they are not. I have witnessed many similar stories at multiple municipal utility companies in my many years in this business.

We have tried to help water departments collect from prior tenants that left overdue bills, including giving them the address these tenants moved to. However, the water companies refused to chase the people that ran up the bills. One even admitted it would not do so because the property owner is easy to find and they can just attach a lien against the property.

If the property owners, who are not using the services, cannot get service turned off by the municipality and cannot prevent service by not authorizing them to turn it on, they have very little control on how they can limit their financial costs. It is not logical to force an owner to pay for services that they are neither using nor have any control over the start, stop, or limit those services. If the municipal water service can start service without owner authorization, ignore their own policies about when to turn off service, and allow third parties to run up bills with no liability of their own, we will continue to see the same abusive practices that are occurring.

The moral hazard here is twofold. The first is that tenants will not care if they run up a municipal utility bill because they know they will get service at another property even if they owed money at their prior home. The second is that municipal utility companies don't need to follow their own policies or be fair to the property owners because they have all the leverage and none of their own liability, so they can afford to allow unpaid amounts to accrue for extended times.

I believe that HB 93 provides some relief to the property owners and encourages municipalities to work appropriately to keep financial burdens to a minimum for everyone involved. We need something in place to limit the burden placed upon the property owners for someone else's failures and decisions. We need something that encourages water companies to follow logical policies in regards to non-payments and shut-offs, which would not only encourage tenants to pay their bills to keep getting service but will also limit the municipality's unpaid amounts also. This would be a win for everyone involved.

I urge you to pass this important consumer protection legislation.

Madam Chair and members of the committee, thank you for allowing me to testify in support of HB 93. If you have any questions for me, I would be happy to answer them at this time.