



January 26, 2026

RE: Ban Ratio Utility Billing Systems in Seattle

Dear Seattle City Councilmembers and Mayor Katie Wilson:

The Seattle Renters' Commission urges the City of Seattle to ban Ratio Utility Billing Systems (RUBS). RUBS undermines consumer protections for renters, lacks transparency in utility billing, and makes Seattle less affordable for renters. This demand comes directly from a coalition of renters who have been organizing against RUBS since May 2025 and who continue to advocate for fairer utility billing practices. Impacted renters and advocates propose instead that all residential utility charges that are not individually submetered must be included in rental rates. This includes water, sewer, garbage, and heat or any utility charge that the tenant is not billed directly by the utility provider.

RUBS is currently regulated via the [Third Party Billing Ordinance 121320 / SMC 7.25](#) which was passed November 3, 2003 to regulate RUBS and allows residential property managers to hire third party billing companies to calculate the tenant's individual share of a multifamily building's utilities. Under RUBS, the landlord determines a formula/methodology to allocate the cost of the building/landlord's master utility bills across individual units based on number of tenants per unit, square footage, number of bedrooms, etc.

Currently SMC 7.25 only requires transparency about bill calculations, notice to tenants about changes, and a formal process through the Hearing Examiner's Office to dispute charges. SMC 7.25 does *not* proactively protect tenants through investigations conducted by the Hearing Examiner, does not set utility price caps, and does regulate how RUBS charges interact with WA State's Rent Stabilization law.

RUBS Harms Renters

- RUBS ***does not allow tenants to plan*** for or anticipate what their utility costs are from month to month. Some renters in Seattle now pay over \$400 per month in utility costs with RUBS.
- Under RUBS there are ***no caps*** on how much of a landlord's utility charges can be passed onto renters.

- Landlords in Seattle are violating the City Code, are not providing transparency about how RUBS bills are calculated and there is ***no proactive enforcement*** by the City Hearing Examiner to ensure renters are not being overcharged.
- The Hearing Examiner's Office dispute process can take months and can *only* rule on previous disputed bills and on behalf of individual renters, not a whole building.
- Some landlords describe RUBS as a way to charge based on "usage", but instead RUBS is only an ***estimation*** of renter utility usage and potentially other charges outside the renter's control.
- Under RUBS, buildings could have inefficient or damaged utility infrastructure, but ***landlords are not incentivized*** to maintain or repair them because renters pay the costs.
- Renter notice requirements ***do not include*** an estimation of monthly RUBS utility costs.
- Monthly flat rate utility charges are considered a rental increase and fall under City Rent Control laws and require ***6 months of notice*** whereas a switch to RUBS only requires 30 days notice.

RUBS Regulations & WA State Rent Stabilization

- HB 1217 (2025) required that rent increases under the Residential Landlord Tenant Act (RLTA) are limited during any 12- month period of a tenancy to the lesser of 7% plus the Consumer Price Index (CPI), or 10%.
 - In 2025, some renters in Seattle saw monthly housing cost increases up to 25% after RUBS was implemented.
- The RLTA defines "rent" or "rental amount" as recurring and periodic charges identified in the rental agreement for the use and occupancy of the premises, which may include charges for utilities.
 - HB 1217 does not clearly state how ***variable*** utility costs like RUBS that are paid directly to the landlord are regulated.
- The State of WA Attorney General notes that variable utility costs, like RUBS, paid by the renter directly to the landlord are a currently undefined, grey area of the rent stabilization law.

Locations Where RUBS is Banned or Regulated

[State of Connecticut](#) - RUBS determined to be in violation of state law; submeters required.

[State of Massachusetts](#) - RUBS banned for all utilities; submeters required for water.

[West Hollywood, CA](#) - RUBS banned.

[San Jose, CA](#) - RUBS banned.

[Santa Monica, CA](#) - Landlords can't exceed rent limits via RUBS.

If the Council is committed to protecting tenants, ensuring affordability, and uplifting tenant ideas for reform then we encourage you to ban RUBS in Seattle.

Sincerely,

The Seattle Renters' Commission