



KIM REYNOLDS  
GOVERNOR

**OFFICE OF THE GOVERNOR**

ADAM GREGG  
LT GOVERNOR

May 10, 2019

The Honorable Paul Pate  
Secretary of State of Iowa  
State Capitol  
Des Moines, Iowa 50319

Dear Mr. Secretary,

I hereby transmit:

House File 537, an Act relating to the imposition of certain fees on public utilities for the use of public rights-of-way.

The above House File is hereby approved on this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Reynolds".

Kim Reynolds  
Governor of Iowa

cc: Secretary of the Senate  
Clerk of the House



House File 537

AN ACT  
RELATING TO THE IMPOSITION OF CERTAIN FEES ON PUBLIC UTILITIES  
FOR THE USE OF PUBLIC RIGHTS-OF-WAY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 480A.2, subsection 2, Code 2019, is amended to read as follows:

2. *Management costs* means the reasonable, direct, and fully documented costs a local government actually incurs in ~~managing~~ to manage public rights-of-way.

Sec. 2. Section 480A.3, Code 2019, is amended to read as follows:

**480A.3 Fees.**

1. A local government shall not recover any fee from a public utility for the use of its available right-of-way, other than a permit fee for its management costs attributable to the public utility's requested use of the local government's right-of-way. ~~A local government may recover from a public utility only those management costs caused by the public utility's activity in the public right-of-way.~~ A fee or other obligation under this section shall be imposed on a competitively neutral basis. When a local government's management costs cannot be attributed to only one entity, those costs shall be allocated among all users of the public rights-of-way, including the local government itself. The allocation shall reflect proportionately the costs incurred by

the local government as a result of the various types of uses of the public rights-of-way.

2. This section does not prohibit:

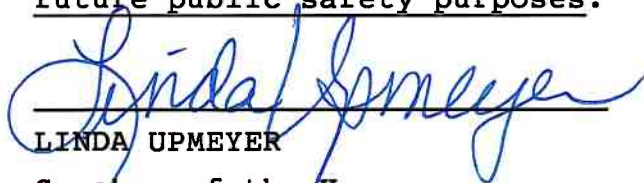
a. Prohibit the collection of a franchise fee as permitted in section 480A.6.


b. Prohibit voluntary agreements between a public utility and local government to share services for the purpose of reducing costs and preserving public rights-of-way for future public safety purposes.

Sec. 3. Section 480A.4, Code 2019, is amended to read as follows:


**480A.4 In-kind services.**

A local government, in lieu of a fee imposed under this chapter, shall not require in-kind services by a public utility right-of-way user, or require in-kind services as a condition of the use of the local government's public right-of-way, unless pursuant to a voluntary agreement between a public utility and local government to share services for the purpose of reducing costs and preserving public rights-of-way for future public safety purposes.

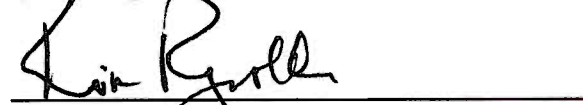
  
LINDA UPMEYER  
Speaker of the House

  
CHARLES SCHNEIDER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 537, Eighty-eighth General Assembly.

  
CARMINE BOAL  
Chief Clerk of the House

Approved May 10<sup>th</sup>, 2019

  
KIM REYNOLDS  
Governor