

February 6, 1959.
Passed on File.

Senate File 232

By MILLER, FISHER, HENRY, O'MALLEY,
NOLAN, McCURDY, EDELEN, FROMMELT,
and BUTLER.

Passed Senate, Date..... Passed House, Date.....
Vote: Ayes..... Nays..... Vote: Ayes..... Nays.....
Approved.....

*Withdrawn
4/24*

A BILL FOR

An Act to provide for reimbursement to utilities for nonbetterment costs associated with relocation of facilities occasioned by the federal system of interstate highway and freeway projects.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Whenever the Iowa state highway commission shall
2 determine that relocation or removal of any utility facility now
3 or hereafter located in, over, along, or under any highway or
4 street, is necessitated by the construction of a project on
5 routes of the federally-aided national system of interstate
6 highways and freeways, including highway extensions and freeways
7 within cities and towns, the utility owning or operating such
8 facility shall relocate or remove the same in accordance with
9 statutory notice. The costs of relocation or removal, including
10 the costs of installation in a new location, shall be ascertained
11 by the Iowa state highway commission and paid by the state out
12 of the primary road fund as a part of the cost of such federally
13 aided project.

1 Sec. 2. Costs of relocation or removal shall include the
2 entire amount paid by such utility properly attributable to such
3 relocation or removal except the cost of land or any rights or
4 interest in land, after deducting therefrom any increase in the
5 value of the new facility and any salvage value derived from the
6 old facility.

1 Sec. 3. No reimbursement shall be made for any relocation
2 or removal of facilities under this Act unless funds to be pro-
3 vided by federal aid amount to at least ninety (90) percent of
4 each reimbursement payment.

1 Sec. 4. The term "utility" shall include all privately,
2 publicly, municipally or cooperatively owned systems for supplying
3 water, sewer, electric lights, street lights and traffic lights,
4 gas, power, telegraph, telephone, transit, pipe line, heating
5 plants, railroads and bridges, or like service to the public or
6 any part thereof if such system be authorized by law to use the
7 streets or highways for the location of its facilities.

EXPLANATION OF SENATE FILE 232

In 1956 the federal highway act provided for greatly increased expenditures on roads and highways. It was recognized that this increased activity in road building would create problems for cities, towns and publicly, privately and cooperatively owned utilities in connection with removing and relocating their utility facilities.

The federal aid road act of 1956 provides whenever a state shall pay the cost of relocation of utility facilities necessitated by the construction of a project on the federal-aid primary or secondary system, or in the interstate system, including extensions thereof within urban areas, federal funds may be used to reimburse the state for such costs in the same proportion as federal funds are expended on this project.

This act will implement the federal act so as to permit cities, towns and publicly, privately and cooperatively owned utilities in the state of Iowa to be paid their non-betterment costs for moving their facilities and to secure reimbursement to the state of Iowa in the same proportion that federal funds are expended on the project. This act only applies to federal aid interstate highway and freeway projects.

SENATE FILE 232 (Committee amendment)

- 1 1. Amend the title by inserting before the word "utilities" in
- 2 line 1, the words, "publicly or municipally owned".
- 3 2. Further amend by striking Section 4 and inserting in lieu
- 4 thereof the following:
- 5 "Sec. 4. The term 'utility' shall include only publicly or
- 6 municipally owned systems for supplying water, sewer, electric
- 7 lights, street lights and traffic lights, gas, or like service to
- 8 the public."

Filed
February 25, 1959.

By COMMITTEE ON JUDICIARY 1,
W. C. STUART, *Chairman.*