



TERRY E. BRANSTAD  
GOVERNOR

**OFFICE OF THE GOVERNOR**

KIM REYNOLDS  
LT. GOVERNOR

March 23, 2016

The Honorable Paul Pate  
Secretary of State of Iowa  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

Senate File 2221, an Act relating to public utilities and sanitary sewage or storm water drainage disposal system providers.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Terry E. Branstad".

Terry E. Branstad  
Governor

cc: Secretary of the Senate  
Clerk of the House



Senate File 2221

AN ACT

RELATING TO PUBLIC UTILITIES AND SANITARY SEWAGE OR STORM WATER  
DRAINAGE DISPOSAL SYSTEM PROVIDERS.

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

Section 1. Section 476.1, subsection 3, Code 2016, is amended by adding the following new paragraph:

NEW PARAGRAPH. *d.* Furnishing sanitary sewage or storm water drainage disposal by piped collection system to the public for compensation.

Sec. 2. Section 476.1, subsection 5, Code 2016, is amended to read as follows:

5. This chapter does not apply to ~~waterworks having less than two thousand customers,~~ municipally owned waterworks, waterworks having less than two thousand customers, joint water utilities established pursuant to chapter 389, rural water

districts incorporated and organized pursuant to chapters 357A and 504, cooperative water associations incorporated and organized pursuant to chapter 499, municipally owned sanitary sewage or storm water drainage systems, sanitary districts incorporated and organized pursuant to chapter 358, districts organized pursuant to chapter 468, or to a person furnishing electricity to five or fewer customers either by secondary line or from an alternate energy production facility or small hydro facility, from electricity that is produced primarily for the person's own use.

Sec. 3. Section 476.8, unnumbered paragraph 1, Code 2016, is amended to read as follows:

Every public utility is required to furnish reasonably adequate service and facilities. "*Reasonably adequate service and facilities*" for public utilities furnishing gas or electricity includes programs for customers to encourage the use of energy efficiency and renewable energy sources. The charge made by any public utility for any heat, light, gas, energy efficiency and renewable energy programs, water or power produced, transmitted, delivered or furnished, sanitary sewage or storm water collected and treated, or communications services, or for any service rendered or to be rendered in connection therewith shall be reasonable and just, and every unjust or unreasonable charge for such service is prohibited and declared unlawful. In determining reasonable and just rates, the board shall consider all factors relating to value and shall not be bound by rate base decisions or rulings made prior to the adoption of this chapter.

Sec. 4. Section 476.9, subsection 2, Code 2016, is amended to read as follows:

2. Every public utility engaged directly or indirectly in any other business than that of the production, transmission, or furnishing of heat, light, water, or power, the collection and treatment of sanitary sewage or storm water, or the furnishing of communications services to the public shall, if required by the board, keep and render separately to the board in like manner and form the accounts of all such other business, in which case all the provisions of this chapter shall apply to the books, accounts, papers and records of such

other business and all profits and losses may be taken into consideration by the board if deemed relevant to the general fiscal condition of the public utility.



PAM JOCHUM

President of the Senate



LINDA UPMEYER

Speaker of the House

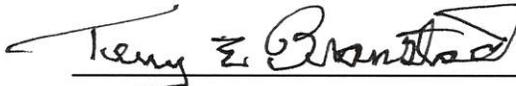
I hereby certify that this bill originated in the Senate and is known as Senate File 2221, Eighty-sixth General Assembly.



MICHAEL E. MARSHALL

Secretary of the Senate

Approved March 23, 2016



TERRY E. BRANSTAD

Governor