

Senate Study Bill 1159 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON GARRETT)

A BILL FOR

1 An Act relating to the procedures for granting a waterworks or
2 sewer services franchise by a city and including effective
3 date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 364.2, subsection 4, paragraphs a and b,
2 Code 2017, are amended to read as follows:

3 a. A city may grant to any person a franchise to erect,
4 maintain, and operate plants and systems for electric light
5 and power, heating, telegraph, cable television, district
6 telegraph and alarm, motor bus, trolley bus, street railway or
7 other public transit, waterworks, sewer services, or gasworks,
8 within the city for a term of not more than twenty-five years.
9 When considering whether to grant, amend, extend, or renew a
10 franchise, a city shall hold a public hearing on the question.
11 Notice of the time and place of the hearing shall be published
12 as provided in [section 362.3](#). The franchise may be granted,
13 amended, extended, or renewed only by an ordinance, but no
14 exclusive franchise shall be granted, amended, extended, or
15 renewed.

16 b. Such an ordinance shall not become effective unless
17 approved at an election. The proposal may be submitted
18 by the council on its own motion to the voters at any city
19 election. Upon receipt of a valid petition as defined in
20 section 362.4 requesting that a proposal be submitted to the
21 voters, the council shall submit the proposal at the next
22 regular city election or at a special election called for
23 that purpose before the next regular city election. However,
24 the city council may dispense with such election as to the
25 grant, amendment, extension, or renewal of an electric light
26 and power, heating, waterworks, sewer services under section
27 357A.23, or gasworks franchise unless there is a valid petition
28 requesting submission of the proposal to the voters, or the
29 party seeking such franchise, grant, amendment, extension, or
30 renewal requests an election. If a majority of those voting
31 approves the proposal, the city may proceed as proposed. The
32 complete text of the ordinance shall be included on the ballot
33 if conventional paper ballots are used. If an optical scan
34 voting system is used, the proposal shall be stated on the
35 optical scan ballot, and the full text of the ordinance posted

1 for the voters pursuant to [section 52.25](#). All absentee voters
2 shall receive the full text of the ordinance.

3 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
4 immediate importance, takes effect upon enactment.

5 EXPLANATION

6 The inclusion of this explanation does not constitute agreement with
7 the explanation's substance by the members of the general assembly.

8 Current Code section 364.2 authorizes cities to grant,
9 by ordinance, franchises for certain specified functions and
10 services undertaken within the city. Such franchises may be
11 granted for a term of not more than 25 years. This bill adds
12 sewer services to the list of functions and services for which
13 a city may grant a franchise.

14 An ordinance granting a franchise does not become effective
15 until approved at election. A city may, however, dispense with
16 such election as to the grant, amendment, extension, or renewal
17 of an electric light and power, heating, or gasworks franchise
18 unless there is a valid petition requesting submission of the
19 proposal to the voters, or the party seeking such franchise,
20 grant, amendment, extension, or renewal requests an election.

21 This bill adds a sewer services franchise granted under
22 Code section 357A.23 and a waterworks franchise to the list of
23 franchises for which the election is not required unless there
24 is a valid petition or request from the party seeking such
25 franchise, grant, amendment, extension, or renewal.

26 The bill takes effect upon enactment.