

Senate File 2312 - Introduced

SENATE FILE 2312
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3008)

(COMPANION TO HF 2452 BY
COMMITTEE ON COMMERCE)

A BILL FOR

1 An Act relating to the disposal and acquisition of city water
2 utilities, including at-risk systems.

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

1 Section 1. NEW SECTION. 455B.199D At-risk utility systems.

2 1. For purposes of this section, "at-risk system" means a
3 city drinking water, sanitary sewage, or storm water drainage
4 system that the city determines meets any of the following
5 criteria:

6 a. The system serves a disadvantaged community as described
7 in section 455B.199B.

8 b. The system includes a water treatment plant, water
9 distribution system, or wastewater treatment plant that has
10 not been operated by a competent operator pursuant to section
11 455B.223 within the previous twelve months.

12 c. The system violated one or more state or federal
13 statutory or regulatory requirements in a manner that affects
14 the safety, adequacy, or efficiency of its services or
15 facilities.

16 2. A new owner of an at-risk system following disposal of
17 the system by sale pursuant to section 388.2A may provide to
18 the department proof of the availability of financial resources
19 to meet system upgrade requirements and a revised timetable
20 for compliance with department rules. The department shall
21 agree to the revised timetable if the department determines
22 the revised timetable is reasonable based on the information
23 provided by the new owner.

24 Sec. 2. Section 476.84, subsection 2, Code 2020, is amended
25 by adding the following new paragraph:

26 NEW PARAGRAPH. *0e.* If the acquisition involves a utility
27 that is an at-risk system as defined in section 455B.199D, the
28 board shall issue a final order on an application for approval
29 of the acquisition within one hundred eighty days of the filing
30 date of the application.

31 EXPLANATION

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

34 This bill relates to the disposal and acquisition of city
35 water utilities.

1 The bill defines the term "at-risk system" as it relates
2 to city water utilities. Under the bill, when a city utility
3 system that is disposed of by sale is an at-risk system, the
4 new owner may provide to the department of natural resources
5 proof of the availability of financial resources to meet
6 system upgrade requirements and provide a revised timetable
7 for compliance with department rules. If the department
8 determines that the revised timetable is reasonable based on
9 the information provided by the new owner, the department shall
10 agree to the timetable.

11 The bill requires the utilities board within the utilities
12 division of the department of commerce to issue a final order
13 within 180 days when a public utility applies for approval of
14 the acquisition of an at-risk system.