

House File 657 - Introduced

HOUSE FILE 657
BY THOMSON

A BILL FOR

- 1 An Act relating to common carriers and including effective date
- 2 and applicability provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 6A.21, subsection 1, Code 2025, is amended
2 to read as follows:

3 1. Except as otherwise provided, for purposes of this chapter
4 and chapter 6B:

5 a. "Aboveground merchant line" means "merchant line" as
6 defined in section 478.6A, subsection 1, excluding those merchant
7 lines that are underground.

8 b. "Agricultural land" means real property owned by a person
9 in tracts of ten acres or more and not laid off into lots
10 of less than ten acres or divided by streets and alleys into
11 parcels of less than ten acres, and that has been used for
12 the production of agricultural commodities during three out of
13 the past five years. Such use of property includes, but is
14 not limited to, the raising, harvesting, handling, drying, or
15 storage of crops used for feed, food, seed, or fiber; the care
16 or feeding of livestock; the handling or transportation of crops
17 or livestock; the storage, treatment, or disposal of livestock
18 manure; and the application of fertilizers, soil conditioners,
19 pesticides, and herbicides on crops. Agricultural land includes
20 land on which is located farm residences or outbuildings used for
21 agricultural purposes and land on which is located facilities,
22 structures, or equipment for agricultural purposes. Agricultural
23 land includes land taken out of agricultural production for
24 purposes of environmental protection or preservation.

25 c. "Commodity" means any good or article that is the subject
26 of trade or commerce. For purposes of this section, "commodity"
27 does not include liquefied carbon dioxide.

28 d. "Common carrier" means a commercial enterprise that holds
29 itself out as ready to engage in the transportation of goods
30 or passengers for hire, as a public employment, and not as a
31 casual occupation, and that undertakes to carry for all persons
32 indifferently, within the limits of the enterprise's capacity and
33 the sphere of business required of it. For a carrier engaged in
34 the transportation of a hazardous liquid to qualify as a common
35 carrier, the carrier must establish by clear and convincing

1 evidence that it will transport a commodity for one or more
2 shippers not affiliated with the carrier who will either retain
3 ownership of the commodity or sell the commodity to a party other
4 than the carrier. A common carrier determination by the federal
5 energy regulatory commission shall be controlling for purposes of
6 this paragraph.

7 ~~e.~~ e. "Private development purposes" means the construction
8 of, or improvement related to, recreational trails, recreational
9 development paid for primarily with private funds, aboveground
10 merchant lines, housing and residential development, or
11 commercial or industrial enterprise development.

12 ~~d.~~ f. "Public use" or "public purpose" or "public
13 improvement" does not include the authority to condemn
14 agricultural land for private development purposes unless the
15 owner of the agricultural land consents to the condemnation.

16 Sec. 2. Section 6A.24, Code 2025, is amended by adding the
17 following new subsection:

18 NEW SUBSECTION. 4. Notwithstanding subsection 3, an
19 acquiring agency proposing to acquire property by eminent domain
20 pursuant to a grant under chapter 479B shall have the burden of
21 establishing by clear and convincing evidence that the proposed
22 use meets the definition of a public use, public purpose, or
23 public improvement.

24 Sec. 3. Section 479B.16, subsection 1, Code 2025, is amended
25 to read as follows:

26 1. A pipeline company granted a pipeline permit shall,
27 subject to subsection 4, be vested with the right of eminent
28 domain, to the extent necessary and as prescribed and approved
29 by the commission, not exceeding seventy-five feet in width for
30 right-of-way and not exceeding one acre in any one location in
31 addition to right-of-way for the location of pumps, pressure
32 apparatus, or other stations or equipment necessary to the proper
33 operation of its pipeline. The commission may grant additional
34 eminent domain rights ~~where~~ when the pipeline company has
35 presented sufficient evidence to adequately demonstrate that a

1 greater area is required for the proper construction, operation,
2 and maintenance of the pipeline or for the location of pumps,
3 pressure apparatus, or other stations or equipment necessary to
4 the proper operation of its pipeline.

5 Sec. 4. Section 479B.16, Code 2025, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 4. A pipeline company granted a pipeline
8 permit shall not be vested with the right of eminent domain
9 unless the pipeline company is a common carrier, as defined in
10 section 6A.21.

11 Sec. 5. EFFECTIVE DATE. This Act, being deemed of immediate
12 importance, takes effect upon enactment.

13 Sec. 6. APPLICABILITY. This Act applies to condemnation
14 proceedings for which the application filed under section 6B.3 is
15 filed on or after the effective date of this Act.

16 EXPLANATION

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

19 This bill defines a common carrier for purposes of Code
20 chapters 6A (eminent domain law) and 6B (procedure under eminent
21 domain) as a commercial enterprise that transports goods or
22 passengers for hire as a public employment. A carrier that
23 transports hazardous liquid only qualifies as a common carrier if
24 the carrier transports a commodity, which is defined in the bill
25 to exclude liquefied carbon dioxide, for one or more shippers
26 that are unaffiliated with the carrier and will not sell the
27 hazardous liquid to the carrier. The federal energy regulatory
28 commission's determination on whether a carrier qualifies as a
29 common carrier is controlling.

30 Under current law, when a property owner or an acquiring
31 agency seeks judicial review of an exercise of eminent domain,
32 an acquiring agency must prove by a preponderance of the evidence
33 that the definition of public use, public purpose, or public
34 improvement is met. The bill provides that an acquiring agency
35 seeking to use eminent domain pursuant to a grant under Code

1 chapter 479B (hazardous liquid pipelines and storage facilities)
2 must prove by clear and convincing evidence that the exercise
3 of eminent domain meets the definition of a public use, public
4 purpose, or public improvement.

5 The bill prohibits a pipeline company from being vested with
6 the right of eminent domain unless the pipeline company qualifies
7 as a common carrier.

8 The bill takes effect upon enactment and applies to
9 condemnation proceedings for which the application is filed on or
10 after the effective date of the bill.

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