

Senate File 249 - Introduced

SENATE FILE 249

BY SALMON, CAMPBELL, ALONS,
GUTH, TAYLOR, LOFGREN, and
WESTRICH

A BILL FOR

1 An Act relating to damages incurred due to releases of carbon
2 dioxide from liquefied carbon dioxide pipelines or carbon
3 dioxide facilities and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **479B.34 Carbon dioxide release —**
2 **cause of action.**

3 1. For purposes of this section:

4 a. "Owner" means any person that owns or operates a liquefied
5 carbon dioxide pipeline or carbon dioxide facility or supplies
6 carbon dioxide to a liquefied carbon dioxide pipeline or carbon
7 dioxide facility.

8 b. "Victim" means any person residing, traveling through, or
9 visiting, or owning or leasing property, equipment, or livestock,
10 within a twenty-five-mile radius from the site of a release of
11 carbon dioxide from a liquefied carbon dioxide pipeline or carbon
12 dioxide facility.

13 2. Any victim shall have standing to commence an action for
14 compensation for any and all damages the victim incurred or is
15 projected to incur due to a release of carbon dioxide from a
16 liquefied carbon dioxide pipeline or carbon dioxide facility.

17 3. A victim shall file a claim under subsection 2 not later
18 than one year after the day the cause of action accrues.

19 4. The owner shall be strictly liable for all compensatory
20 and punitive damages. Any judgment lien imposed as a result of
21 an action brought pursuant to subsection 2 shall have priority
22 over any conflicting security interest or lien, including those
23 perfected prior to the judgment.

24 5. If any owner is involved in bankruptcy or receivership,
25 the trustee, conservator, or court responsible for reorganization
26 or liquidation of the owner's assets must hold the assets in
27 trust for the benefit of potential carbon dioxide victim judgment
28 lienholders for a period of one year from the owner's last day
29 of controlling the operations of the liquefied carbon dioxide
30 pipeline or carbon dioxide facility or the owner's last day
31 of producing carbon dioxide that will be transported through a
32 pipeline or sequestered on the property.

33 Sec. 2. **EFFECTIVE DATE.** This Act, being deemed of immediate
34 importance, takes effect upon enactment.

35 **EXPLANATION**

S.F. 249

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

3 This bill relates to damages incurred due to the release of
4 carbon dioxide.

5 The bill grants any person residing, traveling through, or
6 visiting, or owning or leasing property, equipment, or livestock,
7 within a 25-mile radius from the site of a release of carbon
8 dioxide from a liquefied carbon dioxide pipeline or carbon
9 dioxide facility standing to bring an action against the owner
10 of a liquefied carbon dioxide pipeline or carbon dioxide facility
11 if carbon dioxide is released from a liquefied carbon dioxide
12 pipeline or carbon dioxide facility.

13 The bill requires the claim to be filed within one year of the
14 incident occurring.

15 The bill imposes strict liability on the owner for all
16 compensatory and punitive damages. The bill provides that any
17 judgment lien for an action brought under the bill has priority
18 over all other security interests or liens.

19 The bill requires any assets held by an owner involved in
20 bankruptcy or receivership to be held in trust for the benefit
21 of potential carbon dioxide victim judgment lienholders for a
22 period of one year from the owner's last day of controlling
23 the operations of the liquefied carbon dioxide pipeline or
24 carbon dioxide facility or the owner's last day of producing
25 carbon dioxide that will be transported through a pipeline or
26 sequestered on the property.

27 The bill is effective upon enactment.