

Senate Study Bill 1166 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
JUDICIARY BILL BY CHAIRPERSON
SCHULTZ)

A BILL FOR

1 An Act relating to applications for permits to construct
2 electric transmission lines, pipelines and underground storage
3 facilities, and hazardous liquid pipelines, making penalties
4 applicable, providing fees, and including effective date and
5 applicability provisions.

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

unofficial

1 Section 1. Section 6A.22, subsection 2, paragraph b, Code
2 2025, is amended to read as follows:

3 b. Except as specifically included in the definition in
4 paragraph "a", "public use" or "public purpose" or "public
5 improvement" does not mean the construction of pipelines, roads,
6 electric transmission lines, or internet cables, except within
7 a city or village, or economic development activities resulting
8 in increased tax revenues, increased employment opportunities,
9 privately owned or privately funded housing and residential
10 development, privately owned or privately funded commercial or
11 industrial development, or the lease of publicly owned property
12 to a private party.

13 Sec. 2. Section 6B.2B, Code 2025, is amended to read as
14 follows:

15 **6B.2B Acquisition negotiation.**

16 1. The acquiring agency shall make a good faith effort to
17 negotiate with the owner to purchase the private property or
18 property interest before filing an application for condemnation
19 or otherwise proceeding with the condemnation process. A
20 landowner shall have the right to bring a cause of action
21 against an acquiring agency who fails to negotiate in good faith.
22 An acquiring agency shall not make an offer to purchase the
23 property or property interest that is less than the fair market
24 value the acquiring agency has established for the property or
25 property interest pursuant to the appraisal required in section
26 6B.45 or less than the value determined under the acquiring
27 agency's waiver procedure established pursuant to section 6B.54,
28 subsection 2, for acquisition of property with a low fair
29 market value. A purchase offer made by an acquiring agency
30 shall include provisions for payment to the owner of expenses,
31 including relocation expenses, expenses listed in section 6B.54,
32 subsection 10, and other expenses required by law to be paid by
33 an acquiring agency to a condemnee. However, in the alternative,
34 the acquiring agency may make, and the owner may accept, a
35 purchase offer from the acquiring agency that is an amount

1 equal to one hundred thirty percent of the appraisal amount
2 plus payment to the owner of expenses listed in section 6B.54,
3 subsection 10, once those expenses have been determined. If
4 the owner accepts such a purchase offer, the owner is barred
5 from claiming payment from the acquiring agency for any other
6 expenses allowed by law. An acquiring agency need not make
7 an offer in excess of the amounts described in this section in
8 order to satisfy the requirement to negotiate in good faith.
9 The option to make an alternative purchase offer does not apply
10 when property is being acquired for street and highway projects
11 undertaken by the state, a county, or a city.

12 2. An acquiring agency shall disclose all of a landowner's
13 legal rights in each purchase offer, including but not limited to
14 all of the following:

15 a. The statement of individual rights created pursuant to
16 section 6B.2A.

17 b. The damages and costs for which the acquiring agency is
18 liable.

19 c. The acquiring agency's obligations relating to land
20 restoration.

21 Sec. 3. Section 476A.7, subsection 1, Code 2025, is amended
22 to read as follows:

23 1. Issuance of a certificate by the commission authorizes all
24 of the following:

25 a. Authorizes The construction of the facility on the site
26 designated in the certificate according to the terms and
27 conditions stated in the certificate and licenses and permits
28 issued by regulatory agencies during the proceeding; ~~and,~~

29 ~~Gives the applicant~~ The use of the power of eminent domain
30 by the applicant to the extent and under such conditions as the
31 commission may approve, prescribe, and find necessary for the
32 public convenience, use, and necessity, subject to subsection 4,
33 proceeding in the manner of works of internal improvement under
34 chapter 6B. The burden of proving the necessity for the exercise
35 of the power of eminent domain shall be on the person issued the

1 certificate.

2 Sec. 4. Section 476A.7, Code 2025, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 4. The commission shall not grant eminent
5 domain rights to a person, company, or corporation having
6 secured a certificate as provided in this chapter unless at
7 least nine-tenths of the affected parcels and three-quarters of
8 the total distance of the facility have been acquired through
9 voluntary easements. The commission shall not require more than
10 nine-tenths of easements to be voluntary.

11 Sec. 5. Section 478.2, subsection 4, Code 2025, is amended to
12 read as follows:

13 4. a. A person seeking rights under this chapter shall not
14 negotiate or purchase any easements or other interests in land
15 in any county known to be affected by the proposed project prior
16 to the informational meeting. A person seeking rights under this
17 chapter shall not engage in communication with landowners prior
18 to negotiations without obtaining a landowner's written consent
19 to the communication, except for an initial contact to seek such
20 written consent.

21 b. A person seeking rights under this chapter may contact
22 landowners within five miles of the project's proposed route
23 for the purpose of seeking voluntary easements under the same
24 conditions as paragraph "a".

25 Sec. 6. Section 478.3, Code 2025, is amended by adding the
26 following new subsection:

27 NEW SUBSECTION. 4. An individual, company, or corporation
28 seeking to exercise eminent domain shall submit with the petition
29 a fee set by the commission for purposes of paying the cost of
30 communication between the commission and the landowner.

31 Sec. 7. Section 478.6, subsection 2, Code 2025, is amended to
32 read as follows:

33 2. Where a petition seeks the use of the right of eminent
34 domain over specific parcels of real property, the commission
35 shall prescribe the notice to be served upon the owners of record

1 and parties in possession of the property over which the use of
2 the right of eminent domain is sought. The notice shall include
3 the disclose all of a landowner's legal rights including but not
4 limited to all of the following:

5 a. The statement of individual rights required pursuant to
6 section 6B.2A, subsection 1.

7 b. The damages a person, company, or corporation with a
8 franchise is liable for under section 478.17A.

9 c. The person, company, or corporation's obligations relating
10 to land restoration pursuant to section 478.35.

11 Sec. 8. Section 478.15, subsections 1 and 2, Code 2025, are
12 amended to read as follows:

13 1. Any person, company, or corporation having secured a
14 franchise as provided in this chapter, subject to subsection
15 1A, shall thereupon be vested with the right of eminent
16 domain to such extent as the utilities commission may approve,
17 prescribe, and find to be necessary for public use, not exceeding
18 one hundred feet in width for right-of-way and not exceeding
19 one hundred sixty acres in any one location, in addition to
20 right-of-way, for the location of electric substations to carry
21 out the purposes of said franchise; provided, however, that where
22 two hundred kilovolt lines or higher voltage lines are to be
23 constructed, the person, company, or corporation may apply to the
24 commission for a wider right-of-way not to exceed two hundred
25 feet, and the commission may for good cause extend the width
26 of such right-of-way for such lines to the person, company, or
27 corporation applying for the same. The burden of proving the
28 necessity for public use shall be on the person, company, or
29 corporation seeking the franchise. A homestead site, cemetery,
30 orchard, or schoolhouse location shall not be condemned for
31 the purpose of erecting an electric substation. If agreement
32 cannot be made with the private owner of lands as to damages
33 caused by the construction of said transmission line, or electric
34 substations, the same proceedings shall be taken as provided for
35 taking private property for works of internal improvement.

1 2. Any person, company, or corporation proposing to construct
2 a transmission line or other facility that involves the taking
3 of property under the right of eminent domain and desiring to
4 enter upon the land, which it proposes to appropriate, for the
5 purpose of examining or surveying the same, shall first file with
6 the utilities commission a written statement under oath setting
7 forth the proposed routing of the line or facility including a
8 description of the lands to be crossed, the names and addresses
9 of owners, together with request that a permit be issued by
10 the commission authorizing the person, company, or corporation
11 or its duly appointed representative to enter upon the land for
12 the purpose of examining and surveying and to take and use on
13 the land any vehicle and surveying equipment necessary in making
14 the survey. The commission shall within ten days after the
15 request issue a permit, accompanied by such bond in such amount
16 as the commission shall approve pursuant to subsection 2A, to the
17 person, company, or corporation making the application, if in the
18 commission's opinion the application is made in good faith and
19 not for the purpose of harassing the owner of the land. If the
20 commission is of the opinion that the application is not made in
21 good faith or made for the purpose of harassment to the owner of
22 the land, the commission shall set the matter for hearing. The
23 matter shall be heard not more than twenty days after filing the
24 application. Notice of the time and place of hearing shall be
25 given by the commission, to the owner of the land by registered
26 mail with a return receipt requested, not less than ten days
27 preceding the date of hearing.

28 Sec. 9. Section 478.15, Code 2025, is amended by adding the
29 following new subsections:

30 NEW SUBSECTION. 1A. The commission shall not grant eminent
31 domain rights to a person, company, or corporation having
32 secured a franchise as provided in this chapter unless at least
33 nine-tenths of the affected parcels and three-quarters of the
34 transmission line, wire, or cable's total distance have been
35 acquired through voluntary easements. The commission shall not

1 require more than nine-tenths of easements to be voluntary.

2 NEW SUBSECTION. 2A. Before a person, company, or corporation
3 seeking a franchise is granted a franchise under this chapter,
4 the person, company, or corporation must satisfy the commission
5 that the applicant has property within this state other than a
6 transmission line, wire, or cable subject to execution of a value
7 in excess of one million dollars, or the person, company, or
8 corporation must file and maintain with the commission a surety
9 bond in the penal sum of the lesser of one million dollars or
10 one percent of the project value with surety approved by the
11 commission, conditioned that the person, company, or corporation
12 will pay any and all damages legally recovered against it growing
13 out of the construction or operation of its transmission line,
14 wire, or cable in the state of Iowa. When the person, company,
15 or corporation seeking a franchise under this chapter deposits
16 with the commission security satisfactory to the commission as
17 a guaranty for the payment of the damages, or furnishes to the
18 commission satisfactory proofs of its solvency and financial
19 ability to pay the damages, the person, company, or corporation
20 seeking a franchise under this chapter is relieved of the
21 provisions requiring bond.

22 Sec. 10. NEW SECTION. **478.17A Transmission line operation**
23 **— damages.**

24 1. Any person, company, or corporation having secured a
25 franchise as provided in this chapter shall be responsible for
26 damages resulting from construction, operation, or maintenance,
27 including damages resulting from an environmental disaster,
28 to local livestock, or other damages attributable to the
29 construction, operation, or maintenance.

30 2. A claim for damage for future crop deficiency within the
31 easement strip shall not be precluded from renegotiation under
32 section 6B.52 on the grounds that it was apparent at the time
33 of settlement. The landowner shall notify the person, company,
34 or corporation seeking the franchise in writing fourteen days
35 prior to harvest in each year to assess crop deficiency or by

1 providing global positioning system yield monitoring data or
2 similar assessment data demonstrating crop deficiency to the
3 company within thirty days of harvest.

4 Sec. 11. NEW SECTION. **478.34 Liability.**

5 Notwithstanding any provision in this chapter to the contrary,
6 except when a landowner's actions constitute gross negligence and
7 the landowner commits critical infrastructure sabotage as defined
8 in section 716.11, the landowner shall not be liable for any
9 damages to a transmission line, wire, or cable.

10 Sec. 12. NEW SECTION. **478.35 Land restoration standard.**

11 1. The commission, pursuant to chapter 17A, shall adopt
12 rules establishing standards for the restoration of agricultural
13 lands during and after a transmission line, wire, or cable
14 construction. In addition to the requirements of section
15 17A.4, the commission shall distribute copies of the notice of
16 intended action and opportunity for oral presentations to each
17 county board of supervisors. Any county board of supervisors
18 may, under the provisions of chapter 17A, and subsequent to
19 the rulemaking proceedings, petition under those provisions for
20 additional rulemaking to establish standards for land restoration
21 after a transmission line, wire, or cable construction within
22 that county. Upon the request of the petitioning county, the
23 commission shall schedule a hearing to consider the merits of the
24 petition. Rules adopted under this section shall not apply to
25 land located within city boundaries unless the land is used for
26 agricultural purposes. Rules adopted under this section shall
27 address, but are not limited to, all of the following subject
28 matters:

- 29 a. Topsoil separation and replacement.
- 30 b. Temporary and permanent repair to drain tile.
- 31 c. Removal of rocks and debris from the right-of-way.
- 32 d. Restoration of areas of soil compaction.
- 33 e. Restoration of terraces, waterways, and other erosion
34 control structures.
- 35 f. Revegetation of untilled land.

1 g. Future installation of drain tile or soil conservation
2 structures.

3 h. Restoration of land slope and contour.

4 i. Restoration of areas used for field entrances and
5 temporary roads.

6 j. Construction in wet conditions.

7 k. Designation of a person, company, or corporation seeking a
8 franchise point of contact for landowner inquiries or claims.

9 2. The county board of supervisors shall cause an on-site
10 inspection for compliance with the standards adopted under this
11 section to be performed at any transmission line, wire, or cable
12 construction project in the county. A licensed professional
13 engineer familiar with the standards adopted under this section
14 and registered under chapter 542B shall be responsible for the
15 inspection. A county board of supervisors may contract for the
16 services of a licensed professional engineer for the purposes of
17 the inspection. The reasonable costs of the inspection shall
18 be paid by the person, company, or corporation seeking the
19 franchise.

20 3. If the inspector determines that there has been a
21 violation of the standards adopted under this section, of
22 the land restoration plan, or of an independent agreement on
23 land restoration or line location executed in accordance with
24 subsection 10, the inspector shall give oral notice, followed
25 by written notice, to the person, company, or corporation
26 seeking the franchise and the contractor operating for the
27 person, company, or corporation seeking the franchise and order
28 corrective action to be taken in compliance with the standards.
29 The costs of the corrective action shall be borne by the
30 contractor operating for the person, company, or corporation
31 seeking the franchise.

32 4. An inspector shall adequately inspect underground
33 improvements altered during transmission line, wire, or cable
34 construction. An inspection shall be conducted at the time
35 of the replacement or repair of the underground improvements.

1 An inspector shall be present on the site at all times at
2 each phase and separate activity of the opening of the trench,
3 if applicable, the restoration of underground improvements, and
4 backfilling. The person, company, or corporation seeking the
5 franchise and its contractor shall keep an inspector continually
6 informed of the work schedule and any schedule changes. If
7 proper notice is given, construction shall not be delayed due to
8 an inspector's failure to be present on the site.

9 5. If the person, company, or corporation seeking the
10 franchise or its contractor does not comply with the requirements
11 of this section, with the land restoration plan or line location,
12 or with an independent agreement on land restoration executed in
13 accordance with subsection 10, the county board of supervisors
14 may petition the commission for an order requiring corrective
15 action to be taken. In addition, the county board of supervisors
16 may file a complaint with the commission seeking imposition of
17 civil penalties under section 478.29.

18 6. The person, company, or corporation seeking the franchise
19 shall allow landowners and the inspector to view the proposed
20 center line of the transmission line, wire, or cable prior to
21 commencing trenching operations to ensure that construction takes
22 place in its proper location.

23 7. An inspector may temporarily halt the construction if the
24 construction is not in compliance with this chapter and the
25 standards adopted pursuant to this chapter, the land restoration
26 plan, or the terms of an independent agreement with the
27 person, company, or corporation seeking the franchise regarding
28 land restoration or line location executed in accordance with
29 subsection 10, until the inspector consults with the supervisory
30 personnel of the person, company, or corporation seeking the
31 franchise.

32 8. The commission shall instruct inspectors appointed by the
33 board of supervisors regarding the content of the statutes and
34 rules and the inspectors' responsibility to require construction
35 conforming with the standards provided by this chapter.

1 9. A person, company, or corporation having secured a
2 franchise as provided in this chapter shall file with the
3 petition a written land restoration plan showing how the
4 requirements of this section, and of rules adopted pursuant to
5 this section, will be met. The person, company, or corporation
6 seeking the franchise shall provide copies of the plan to
7 all landowners of property that will be disturbed by the
8 construction.

9 10. This section does not preclude the application of
10 provisions for protecting or restoring property that are
11 different than those prescribed in this section, in rules adopted
12 under this section, or in the land restoration plan, if the
13 alternative provisions are contained in agreements independently
14 executed by the person, company, or corporation seeking the
15 franchise and the landowner, and if the alternative provisions
16 are not inconsistent with state law or with rules adopted by
17 the commission. Independent agreements on land restoration or
18 line location between the landowner and person, company, or
19 corporation seeking the franchise shall be in writing and a copy
20 shall be provided to the county inspector.

21 Sec. 13. Section 479.5, subsection 5, Code 2025, is amended
22 to read as follows:

23 5. a. A pipeline company seeking rights under this chapter
24 shall not negotiate or purchase any easements or other interests
25 in land in any county known to be affected by the proposed
26 project prior to the informational meeting. A pipeline
27 company seeking rights under this chapter shall not engage
28 in communication with landowners prior to negotiations without
29 obtaining a landowner's written consent to the communication,
30 except for an initial contact to seek such written consent.

31 b. A person seeking rights under this chapter may contact
32 landowners within five miles of the project's proposed route
33 for the purpose of seeking voluntary easements under the same
34 conditions as paragraph "a".

35 Sec. 14. Section 479.7, subsection 2, Code 2025, is amended

1 to read as follows:

2 2. Where a petition seeks the use of the right of eminent
3 domain over specific parcels of real property, the commission
4 shall prescribe the notice to be served upon the owners of record
5 and parties in possession of the property over which the use of
6 the right of eminent domain is sought. The notice shall ~~include~~
7 the disclose all of a landowner's legal rights including but not
8 limited to all of the following:

9 a. The statement of individual rights required pursuant to
10 section 6B.2A.

11 b. The costs a pipeline company is liable for under sections
12 479.25, 479.45, and 479.47.

13 c. The pipeline company's obligations relating to land
14 restoration pursuant to section 479.29.

15 Sec. 15. Section 479.24, subsection 1, Code 2025, is amended
16 to read as follows:

17 1. A pipeline company granted a pipeline permit under this
18 chapter shall, subject to subsection 3, be vested with the right
19 of eminent domain to the extent necessary and as prescribed and
20 approved by the commission, not exceeding seventy-five feet in
21 width for right-of-way and not exceeding one acre in any one
22 location in addition to right-of-way for the location of pumps,
23 pressure apparatus, or other stations or equipment necessary to
24 the proper operation of its pipeline. The commission may grant
25 additional eminent domain rights where the pipeline company has
26 presented sufficient evidence to adequately demonstrate that a
27 greater area is required for the proper construction, operation,
28 and maintenance of the pipeline or for the location of pumps,
29 pressure apparatus, or other stations or equipment necessary to
30 the proper operation of its pipeline.

31 Sec. 16. Section 479.24, Code 2025, is amended by adding the
32 following new subsections:

33 NEW SUBSECTION. 3. The commission shall not grant eminent
34 domain rights to a pipeline company seeking a permit under this
35 section unless at least nine-tenths of the affected parcels and

1 three-quarters of the pipeline project's total distance have been
2 acquired through voluntary easements. The commission shall not
3 require more than nine-tenths of easements to be voluntary.

4 NEW SUBSECTION. 4. When constructing on property obtained by
5 eminent domain, a pipeline company must construct its pipeline
6 or underground storage facility at least eight feet underground,
7 unless otherwise negotiated with the landowner.

8 Sec. 17. Section 479.25, Code 2025, is amended to read as
9 follows:

10 **479.25 Damages.**

11 1. A pipeline company operating a pipeline or a gas storage
12 area shall have reasonable access to the pipeline or gas storage
13 area for the purpose of constructing, operating, maintaining,
14 or locating pipes, pumps, pressure apparatus or other stations,
15 wells, devices, or equipment used in or upon the pipeline or gas
16 storage area; shall pay the owner of the land for the right of
17 entry and the owner of crops for all damages caused by entering,
18 using, or occupying the land; and shall pay to the owner all
19 damages caused by the completion of construction of the pipeline
20 due to wash or erosion of the soil at or along the location
21 of the pipeline and due to the settling of the soil along and
22 above the pipeline. However, this section shall not prevent the
23 execution of an agreement between the pipeline company and the
24 owner of land or crops with reference to the use of the land.

25 2. A pipeline company operating a pipeline or a gas
26 storage area shall be responsible for damages resulting from
27 construction, operation, or maintenance, including damages
28 resulting from an environmental disaster, to local livestock,
29 or other damages attributable to the construction, operation, or
30 maintenance.

31 Sec. 18. Section 479.26, Code 2025, is amended to read as
32 follows:

33 **479.26 Financial condition of permittee — bond.**

34 Before any permit is granted under this chapter the applicant
35 must satisfy the commission that the applicant has property

1 within this state other than pipelines, subject to execution of
2 a value in excess of ~~two hundred fifty thousand~~ one million
3 dollars, or the applicant must file and maintain with the
4 commission a surety bond in the penal sum of ~~two hundred fifty~~
5 ~~thousand~~ the lesser of one million dollars or one percent of the
6 project value with surety approved by the commission, conditioned
7 that the applicant will pay any and all damages legally recovered
8 against it growing out of the construction or operation of
9 its pipeline and gas storage facilities in the state of Iowa.
10 When the pipeline company deposits with the commission security
11 satisfactory to the commission as a guaranty for the payment of
12 the damages, or furnishes to the commission satisfactory proofs
13 of its solvency and financial ability to pay the damages, the
14 pipeline company is relieved of the provisions requiring bond.

15 Sec. 19. NEW SECTION. **479.35 Liability.**

16 Notwithstanding any provision in this chapter to the contrary,
17 except when a landowner's actions constitute gross negligence and
18 the landowner commits critical infrastructure sabotage as defined
19 in section 716.11, the landowner shall not be liable for any
20 damages to a pipeline or gas storage area.

21 Sec. 20. Section 479.45, subsection 2, Code 2025, is amended
22 to read as follows:

23 2. A claim for damage for future crop deficiency within the
24 easement strip shall not be precluded from renegotiation under
25 section 6B.52 on the grounds that it was apparent at the time of
26 settlement ~~unless the settlement expressly releases the pipeline~~
27 ~~company from claims for damage to the productivity of the soil.~~
28 The landowner shall notify the company in writing fourteen days
29 prior to harvest in each year to assess crop deficiency or by
30 providing global positioning system yield monitoring data or
31 similar assessment data demonstrating crop deficiency to the
32 company within thirty days of harvest.

33 Sec. 21. Section 479B.4, subsection 6, Code 2025, is amended
34 to read as follows:

35 6. a. A pipeline company seeking rights under this chapter

1 shall not negotiate or purchase an easement or other interest in
2 land in a county known to be affected by the proposed project
3 prior to the informational meeting. A pipeline company seeking
4 rights under this chapter shall not engage in communication with
5 landowners prior to negotiations without obtaining a landowner's
6 written consent to the communication, other than an initial
7 contact for the purpose of seeking written consent.

8 b. A person seeking rights under this chapter may contact
9 landowners within five miles of the project's proposed route
10 for the purpose of seeking voluntary easements under the same
11 conditions as paragraph "a".

12 Sec. 22. Section 479B.6, Code 2025, is amended by adding the
13 following new subsections:

14 NEW SUBSECTION. 3. Upon the filing of the petition, a
15 pipeline company shall provide notice of such filing served by
16 certified mail to landowners.

17 NEW SUBSECTION. 4. Where a petition seeks the use of the
18 right of eminent domain over specific parcels of real property,
19 the commission shall prescribe the notice to be served upon the
20 owners of record and parties in possession of the property over
21 which the use of the right of eminent domain is sought. The
22 notice shall disclose all of a landowner's legal rights including
23 but not limited to all of the following:

24 a. The statement of individual rights created pursuant to
25 section 6B.2A.

26 b. The costs a pipeline company is liable for under sections
27 479B.29 and 479B.31.

28 c. The pipeline company's obligations relating to land
29 restoration pursuant to section 479B.20.

30 Sec. 23. Section 479B.13, Code 2025, is amended to read as
31 follows:

32 **479B.13 Financial condition of permittee — bond.**

33 Before a permit is granted under this chapter the applicant
34 must satisfy the commission that the applicant has property
35 within this state other than pipelines or underground storage

1 facilities, subject to execution of a value in excess of ~~two~~
2 ~~hundred fifty thousand~~ one million dollars, or the applicant
3 must file and maintain with the commission a surety bond in
4 the penal sum of ~~two hundred fifty thousand~~ the lesser of one
5 million dollars or one percent of the project value with surety
6 approved by the commission, conditioned that the applicant will
7 pay any and all damages legally recovered against it growing out
8 of the construction, maintenance, or operation of its pipeline or
9 underground storage facilities in this state. When the pipeline
10 company deposits with the commission security satisfactory to
11 the commission as a guaranty for the payment of the damages, or
12 furnishes to the commission satisfactory proofs of its solvency
13 and financial ability to pay the damages, the pipeline company is
14 relieved of the provisions requiring bond.

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

17 1. A pipeline company granted a pipeline permit shall,
18 subject to subsection 4, be vested with the right of eminent
19 domain, to the extent necessary and as prescribed and approved
20 by the commission, not exceeding seventy-five feet in width for
21 right-of-way and not exceeding one acre in any one location in
22 addition to right-of-way for the location of pumps, pressure
23 apparatus, or other stations or equipment necessary to the
24 proper operation of its pipeline. The commission may grant
25 additional eminent domain rights where the pipeline company has
26 presented sufficient evidence to adequately demonstrate that a
27 greater area is required for the proper construction, operation,
28 and maintenance of the pipeline or for the location of pumps,
29 pressure apparatus, or other stations or equipment necessary to
30 the proper operation of its pipeline.

31 Sec. 25. Section 479B.16, Code 2025, is amended by adding the
32 following new subsections:

33 NEW SUBSECTION. 4. The commission shall not grant eminent
34 domain rights to a pipeline company seeking a permit under this
35 section unless at least nine-tenths of the affected parcels and

1 three-quarters of the pipeline project's total distance have been
2 acquired through voluntary easements. The commission shall not
3 require more than nine-tenths of easements to be voluntary.

4 NEW SUBSECTION. 5. When constructing on property obtained by
5 eminent domain, a pipeline company must construct its pipeline
6 or underground storage facility at least eight feet underground,
7 unless otherwise negotiated with the landowner.

8 Sec. 26. Section 479B.17, Code 2025, is amended to read as
9 follows:

10 **479B.17 Damages.**

11 1. A pipeline company operating a pipeline or an underground
12 storage facility shall have reasonable access to the pipeline
13 or underground storage facility for the purpose of constructing,
14 operating, maintaining, or locating pipes, pumps, pressure
15 apparatus, or other stations, wells, devices, or equipment used
16 in or upon the pipeline or underground storage facility. A
17 pipeline company shall pay the owner of the land for the right of
18 entry and the owner of crops for all damages caused by entering,
19 using, or occupying the lands and shall pay to the owner all
20 damages caused by the completion of construction of the pipeline
21 due to wash or erosion of the soil at or along the location
22 of the pipeline and due to the settling of the soil along and
23 above the pipeline. However, this section does not prevent the
24 execution of an agreement between the pipeline company and the
25 owner of the land or crops with reference to the use of the land.

26 2. A pipeline company operating a pipeline or an underground
27 storage facility shall be responsible for damages resulting
28 from construction, operation, or maintenance, including damages
29 resulting from an environmental disaster, to local livestock,
30 or other damages attributable to the construction, operation, or
31 maintenance.

32 Sec. 27. Section 479B.29, subsection 2, Code 2025, is amended
33 to read as follows:

34 2. A claim for damage for future crop deficiency within
35 the easement strip shall not be precluded from renegotiation

1 under section 6B.52 on the grounds that it was apparent at the
2 time of settlement ~~unless the settlement expressly releases the~~
3 ~~pipeline company from claims for damage to the productivity of~~
4 ~~the soil.~~ The landowner shall notify the pipeline company in
5 writing fourteen days prior to harvest in each year to assess
6 crop deficiency or by providing global positioning system yield
7 monitoring data or similar assessment data demonstrating crop
8 deficiency to the company within thirty days of harvest.

9 Sec. 28. NEW SECTION. **479B.34 Liability.**

10 Notwithstanding any provision in this chapter to the contrary,
11 except when a landowner's actions constitute gross negligence and
12 the landowner commits critical infrastructure sabotage as defined
13 in section 716.11, the landowner shall not be liable for any
14 damages to a pipeline or gas storage area.

15 Sec. 29. EFFECTIVE DATE. This Act, being deemed of immediate
16 importance, takes effect upon enactment.

17 Sec. 30. APPLICABILITY.

18 1. The following apply to applications for a permit submitted
19 pursuant to chapters 478, 479, and 479B prior to, on, or after
20 the effective date of this Act:

21 a. The section of this Act enacting section 478.17A.

22 b. The section of this Act enacting section 478.34.

23 c. The section of this Act amending section 479.25.

24 d. The section of this Act enacting section 479.35.

25 e. The section of this Act amending section 479B.17.

26 f. The section of this Act enacting section 479B.34.

27 2. Remaining sections of this Act apply to applications for
28 a permit submitted pursuant to chapters 476A, 478, 479, and 479B
29 regarding which the first informational meeting for a petition is
30 held on or after the effective date of this Act.

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 applications for permits to construct
35 electric transmission lines, pipelines and underground storage

1 facilities, and hazardous liquid pipelines under the purview of
2 the Iowa utilities commission (commission).

3 The bill excludes the construction of pipelines, roads,
4 electric transmission lines, or internet cables other than within
5 a city or village from the definition of a public use, public
6 purpose, or public improvement for purposes of eminent domain.

7 The bill requires an acquiring agency to notify a landowner
8 of the landowner's rights in each purchase offer and creates a
9 cause of action for a landowner when an acquiring agency fails to
10 negotiate in good faith.

11 The bill modifies eminent domain rights for matters under
12 Code chapters 476A (electric power generation and transmission),
13 478 (electric transmission lines), 479 (pipelines and underground
14 gas storage), and 479B (hazardous liquid pipelines and storage
15 facilities). The bill requires landowner communication consent,
16 specified surety bond amounts, liability, notice, and damage
17 provisions for permits under the respective Code sections.

18 The bill prohibits the commission from granting eminent domain
19 rights to an entity seeking those rights under Code chapters
20 476A, 478, 479, and 479B unless at least nine-tenths of the
21 affected parcels and three-quarters of the area of the proposed
22 project are first acquired through voluntary easements. The
23 commission is prohibited from requiring more than 90 percent of
24 the easements to be voluntary.

25 The bill requires a person or entity granted a franchise for
26 an electric transmission line to pay a fee established by the
27 commission to cover the costs of the commission's communications
28 with landowners.

29 The bill requires the commission to notify a landowner of the
30 landowner's rights when an electric transmission line, pipeline,
31 underground storage facility, or hazardous liquid pipeline seeks
32 to exercise eminent domain.

33 The bill requires a person, company, or corporation seeking
34 a franchise under Code chapter 478 to satisfy a bond amount
35 with the commission. The franchise must satisfy the commission

1 that the franchisee has property in the state of a value over
2 \$1 million (not including the value of the proposed project)
3 or file and maintain with the commission a surety bond of \$1
4 million or 1 percent of the project value with surety approved
5 by the commission, conditioned that the franchisee will pay any
6 and all damages legally recovered against it growing out of the
7 construction or operation of the project in the state. When
8 a franchisee deposits security satisfactory to the commission
9 as a guaranty for the payment of the damages or furnishes to
10 the commission satisfactory proofs of its solvency and financial
11 ability to pay the damages, the franchisee shall be relieved of
12 the provisions requiring bond.

13 The bill prohibits persons seeking rights to construct
14 projects under Code chapter 478, 479, or 479B from contacting
15 landowners regarding negotiations for land acquisition without
16 first obtaining the landowner's written consent allowing
17 communication, other than an initial contact to seek such written
18 consent. The bill allows persons seeking rights to construct
19 such projects to contact landowners within five miles of the
20 project's proposed route for the purpose of obtaining a voluntary
21 easement.

22 The bill adds provisions to Code chapters 478, 479, and
23 479B requiring a person seeking to construct projects under
24 those chapters to be held liable for damages resulting from
25 construction, operation, or maintenance, including damages
26 resulting from an environmental disaster, to local livestock,
27 or other damages attributable to the construction, operation, or
28 maintenance.

29 The bill requires pipeline companies constructing on property
30 obtained by eminent domain under Code chapter 479 or 479B to
31 build their projects at least eight feet underground, unless
32 otherwise negotiated with the landowner.

33 The bill provides that a claim for damages related to future
34 crop deficiency within an easement strip under Code chapter 478
35 shall not be precluded from renegotiation under Code section

1 6B.52 relating to eminent domain procedure for the renegotiation
2 of damages. The landowner shall notify the franchisee in writing
3 14 days prior to harvest in each year to assess crop deficiency
4 or by providing global positioning system yield monitoring data
5 or similar assessment data demonstrating crop deficiency to the
6 company within 30 days of harvest. The bill modifies claims
7 for future crop deficiency damages pursuant to Code chapters 479
8 and 479B to allow a landowner to notify a company in writing
9 by providing global positioning system yield monitoring data
10 or similar assessment data demonstrating crop deficiency to the
11 company within 30 days of harvest, and strikes language providing
12 that a settlement may expressly release a company from soil
13 productivity damage claims.

14 The bill creates new provisions relating to landowner
15 liability in Code chapters 478, 479, and 479B. The bill
16 provides that except when a landowner's actions constitute gross
17 negligence and the landowner commits critical infrastructure
18 sabotage as defined in Code section 716.11 (relating to critical
19 infrastructure sabotage definitions), the landowner shall not be
20 liable for any damages to a project permitted under Code chapters
21 478, 479, and 479B.

22 The bill includes provisions relating to land restoration
23 standards. The bill adds a land restoration section in Code
24 chapter 478 that mirrors land restoration standards in Code
25 chapters 479 and 479B. The new Code section includes requirements
26 that the commission adopt rules related to the restoration of
27 agricultural lands during and after transmission line, wire,
28 or cable construction and distribute notice of intended actions
29 to county boards of supervisors. Rules shall include subject
30 matters relating to topsoil, temporary, permanent, and future
31 drain tile issues, removal of rocks and debris, soil compaction,
32 terraces, waterways, and other erosion control structures,
33 revegetation, restoration of land slope and contour, restoration
34 of field entrance and temporary road areas, construction in wet
35 conditions, and designation of a franchisee point of contact.

1 The bill provides that a county board of supervisors may
2 require an on-site compliance inspection at any time to be
3 performed by a specialized licensed professional engineer.
4 The reasonable costs of the inspection shall be paid by the
5 franchisee. Notice of a violation relating to provisions
6 regarding land restoration, the land restoration plan created
7 by the franchisee and submitted to the commission, or of an
8 independent agreement shall be given to the franchisee or a
9 contractor for the franchisee. Corrective action shall be taken
10 by the franchisee and the costs of the corrective action shall be
11 borne by the contractor of the franchisee.

12 The bill provides that a franchisee shall file a written
13 land restoration plan with their petition. The franchisee shall
14 provide copies of the plan to all landowners of property that
15 will be disturbed by the construction. The bill does not
16 preclude additional means of land protection or restoration in
17 addition to the plan, rules regarding the plan, or other written
18 agreements.

19 The bill provides that an inspector shall adequately inspect
20 underground improvements altered during transmission line, wire,
21 or cable construction, and the inspection shall be conducted
22 at the time of the replacement or repair of the underground
23 improvements. Additionally, an inspector shall be present
24 on-site at all times and the franchisee and its contractor shall
25 keep an inspector continually informed of the work schedule
26 and any schedule changes. The county board of supervisors
27 may petition the commission for an order requiring corrective
28 action to be taken when the franchisee or its contractor is
29 in noncompliance. In addition, the county board of supervisors
30 may file a complaint with the commission seeking imposition of
31 civil penalties of not more than \$100 per violation or \$1,000 per
32 day of a continuing violation, whichever is greater, under Code
33 section 478.29.

34 The bill provides that a franchisee shall allow landowners
35 and the inspector to view the proposed center line of the

1 transmission line, wire, or cable prior to commencing trenching
2 operations to ensure that construction takes place in its
3 proper location, and an inspector may temporarily halt the
4 construction for noncompliance until the inspector consults with
5 the supervisory personnel of the franchisee. The commission
6 shall instruct appointed inspectors of the content of the
7 statutes and rules and the inspectors' responsibility to require
8 compliant construction.

9 The bill modifies surety bond amounts for projects constructed
10 pursuant to Code chapters 479 and 479B. The bill changes the
11 amount that an applicant for a permit shall demonstrate in
12 property value in Iowa (other than pipelines) to more than \$1
13 million rather than \$250,000. The applicant may instead file and
14 maintain with the commission a surety bond of \$1 million or 1
15 percent of the project value, whichever is lesser, rather than a
16 surety bond of \$250,000.

17 The bill is effective upon enactment and includes
18 applicability provisions. The bill applies to an application
19 for a permit pursuant to Code chapters 476A, 478, 479, and
20 479B when the first informational meeting for a petition is
21 held on or after the effective date of the bill, except when
22 otherwise provided. For sections of the bill relating to
23 liability regarding a landowner's gross negligence and critical
24 infrastructure sabotage and sections of the bill regarding
25 petitioner responsibility for damages under Code chapters 478,
26 479, and 479B, the bill shall apply retroactively to all
27 applications for a permit under those Code chapters.