

House File 555 - Reprinted

HOUSE FILE 555
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 166)

(As Amended and Passed by the House March 15, 2021)

A BILL FOR

1 An Act prohibiting counties and cities from regulating the sale
2 of natural gas and propane.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 331.301, Code 2021, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 18. *a.* A county shall not adopt, enforce,
4 or otherwise administer an ordinance, motion, resolution,
5 or amendment, or use any other means, to restrict, impede,
6 regulate, or prohibit, intentionally or effectively, any of the
7 following:

8 (1) The provision of natural gas service by a public utility
9 as defined in section 476.1, a competitive natural gas provider
10 as defined in section 476.86, or a retail propane marketer or
11 retail propane dispenser as those terms are defined in section
12 101C.2 to a person, business, municipality, or other wholesale
13 or retail customer within or outside the county.

14 (2) The purchase of natural gas or propane from a
15 competitive natural gas provider as defined in section 476.86
16 or a retail propane marketer or retail propane dispenser as
17 those terms are defined in section 101C.2, or the receipt of
18 natural gas or propane service from a public utility as defined
19 in section 476.1, by any person, business, municipality, or
20 other wholesale or retail customer within or outside the
21 county.

22 *b.* Paragraph "*a*" does not apply to an ordinance, motion,
23 resolution, or amendment that regulates a retail propane
24 marketer or retail propane dispenser, as those terms are
25 defined in section 101C.2, adopted before the effective date
26 of this Act.

27 Sec. 2. Section 364.3, Code 2021, is amended by adding the
28 following new subsection:

29 NEW SUBSECTION. 13. *a.* A city shall not adopt, enforce,
30 or otherwise administer an ordinance, motion, resolution,
31 or amendment, or use any other means, to restrict, impede,
32 regulate, or prohibit, intentionally or effectively, any of the
33 following:

34 (1) The provision of natural gas service by a public utility
35 as defined in section 476.1, a competitive natural gas provider

1 as defined in section 476.86, or a retail propane marketer or
2 retail propane dispenser as those terms are defined in section
3 101C.2 to a person, business, municipality, or other wholesale
4 or retail customer within or outside the incorporated area of
5 the city.

6 (2) The purchase of natural gas or propane from a
7 competitive natural gas provider as defined in section 476.86
8 or a retail propane marketer or retail propane dispenser as
9 those terms are defined in section 101C.2, or the receipt of
10 natural gas or propane service from a public utility as defined
11 in section 476.1, by any person, business, municipality, or
12 other wholesale or retail customer within or outside the
13 incorporated area of the city.

14 b. (1) Paragraph "a" does not apply to an ordinance
15 granting, extending, amending, or renewing a franchise pursuant
16 to section 364.2, subsection 4, that does not restrict or
17 impede the provision of natural gas service.

18 (2) Paragraph "a" does not apply to an ordinance, motion,
19 resolution, or amendment relating to the rates, services, or
20 governance of a public utility providing gas service to the
21 public for compensation and subject to the jurisdiction of
22 the utilities board of the department of commerce pursuant to
23 section 476.1B.

24 (3) Paragraph "a" does not apply to an ordinance, motion,
25 resolution, or amendment that regulates a retail propane
26 marketer or retail propane dispenser, as those terms are
27 defined in section 101C.2, adopted before the effective date
28 of this Act.