

Senate File 2438 - Reprinted

SENATE FILE 2438
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 3128)

(As Amended and Passed by the Senate March 10, 2026)

A BILL FOR

1 An Act relating to city utilities including landlord
2 notification, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 384.84, subsection 3, paragraph c, Code
2 2026, is amended to read as follows:

3 c. A city utility or enterprise service to a property or
4 premises shall not be discontinued or disconnected unless prior
5 written notice is sent, by ordinary mail, to the account holder
6 in whose name the delinquent rates or charges were incurred,
7 informing the account holder of the nature of the delinquency and
8 affording the account holder the opportunity for a hearing prior
9 to discontinuance or disconnection of service. If the account
10 holder is a tenant, ~~and if the owner or landlord of the property~~
11 ~~or premises has made a written request for notice,~~ the notice
12 shall also be given to the owner or landlord when the tenant is
13 sixty days delinquent on payment, and at least ten days before
14 the utility is discontinued or disconnected. If the account
15 holder is a tenant and requests a change of name for service
16 under the account, such request shall be sent to the owner or
17 landlord of the property if the owner or landlord has made a
18 written request for notice of any change of name for service
19 under the account to the rental property.

20 Sec. 2. Section 384.84, subsection 4, paragraph e, Code 2026,
21 is amended to read as follows:

22 e. Residential rental property where a charge for any of the
23 services of sewer systems, storm water drainage systems, sewage
24 treatment, solid waste collection, and solid waste disposal is
25 paid directly to the city utility or enterprise by the tenant
26 is exempt from a lien for delinquent rates or charges associated
27 with such services if the landlord gives written notice to the
28 city utility or enterprise that the property is residential
29 rental property and that the tenant is liable for the rates or
30 charges. A form completed online, or sent by electronic mail,
31 through the mail, or by facsimile transmission, may serve as
32 acceptable written notice when requested or specified by the
33 utility or enterprise. A city utility or enterprise may require
34 a deposit not exceeding the usual cost of ninety days of the
35 services of sewer systems, storm water drainage systems, sewage

1 treatment, solid waste collection, and solid waste disposal to
2 be paid to the utility or enterprise. A city utility or
3 enterprise may require a deposit not exceeding the usual cost
4 of sixty days of the services of gas and electric to be paid
5 to the utility or enterprise. Upon receipt, the utility or
6 enterprise shall acknowledge the notice and deposit. A written
7 notice shall contain the name of the tenant responsible for the
8 charges, the address of the residential rental property that the
9 tenant is to occupy, and the date that the occupancy begins.
10 A change in tenant shall require a new written notice to be
11 given to the city utility or enterprise within thirty business
12 days of the change in tenant. When the tenant moves from the
13 rental property, the city utility or enterprise shall return the
14 deposit if the charges for the services of gas, electric, sewer
15 systems, storm water drainage systems, sewage treatment, solid
16 waste collection, and solid waste disposal are paid in full.
17 A change in the ownership of the residential rental property
18 shall require written notice of such change to be given to the
19 city utility or enterprise within thirty business days of the
20 completion of the change of ownership. The lien exemption for
21 rental property does not apply to charges for repairs related to
22 a service of sewer systems, storm water drainage systems, sewage
23 treatment, solid waste collection, and solid waste disposal if
24 the repair charges become delinquent.

25 Sec. 3. EFFECTIVE DATE. This Act takes effect January 1,
26 2027.