

House File 2531 - Reprinted

HOUSE FILE 2531
BY COMMITTEE ON NATURAL
RESOURCES

(SUCCESSOR TO HF 2213)

(As Amended and Passed by the House February 25, 2026)

A BILL FOR

1 An Act relating to interests in minerals owned by counties and
2 cities.

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

1 Section 1. NEW SECTION. 331.310 Mineral interests.

2 1. For purposes of this section:

3 a. "*Mineral interests*" means any real property interest
4 in one or more natural resources or minerals underlying the
5 surface of a tract of land, which can be owned separately from
6 the surface estate.

7 b. "*Minerals*" means coal, any naturally occurring gas, oil,
8 or other gaseous, liquid, or solid hydrocarbons; oil shale;
9 gemstones; metals; fissionable or nonfissionable ore; or steam
10 or other geothermal resources.

11 2. A county shall divest itself of any mineral interest
12 owned or controlled by the county and shall convey such mineral
13 interest to the surface owner of the land to which the mineral
14 interest pertains except when the county is the fee simple
15 surface owner of the land. A conveyance under this section
16 shall be made without consideration and shall be without cost
17 to the surface owner of the land.

18 3. A county shall complete all conveyances required under
19 this section no later than five years after the effective date
20 of this Act. Conveyances pursuant to section 458A.20 shall
21 be completed within one hundred fifty days of service of the
22 required notice. Any interest in minerals acquired by the
23 county after the effective date of this Act shall be conveyed
24 as required under this section within ninety days.

25 Sec. 2. NEW SECTION. 364.26 Mineral interests.

26 1. For purposes of this section:

27 a. "*Mineral interests*" means any real property interest
28 in one or more natural resources or minerals underlying the
29 surface of a tract of land, which can be owned separately from
30 the surface estate.

31 b. "*Minerals*" means coal, any naturally occurring gas, oil,
32 or other gaseous, liquid, or solid hydrocarbons; oil shale;
33 gemstones; metals; fissionable or nonfissionable ore; or steam
34 or other geothermal resources.

35 2. A city shall divest itself of any mineral interests

1 owned or controlled by the city and shall convey such mineral
2 interests to the surface owner of the land to which the mineral
3 interest pertains except when the city is the surface owner
4 of the land. A conveyance under this section shall be made
5 without consideration and shall be without cost to the surface
6 owner of the land.

7 3. A city shall complete all conveyances required under this
8 section no later than five years after the effective date of
9 this Act. Any mineral interest acquired by the city after the
10 effective date of this Act shall be conveyed as required under
11 this section within ninety days.

12 Sec. 3. Section 446.7, Code 2026, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 3. The county shall not offer mineral
15 interests, as defined in section 331.310, for sale. If
16 the taxes on any mineral interests not owned by the surface
17 owner of the land are delinquent, the county shall proceed in
18 accordance with section 458A.20.

19 Sec. 4. Section 458A.18, Code 2026, is amended to read as
20 follows:

21 **458A.18 Mineral rights taxed separately.**

22 All rights and interests in or to oil, gas, or other minerals
23 underlying land, whether created by or arising under deed,
24 lease, reservation of rights, or otherwise, which rights or
25 interests are owned by any person other than the surface owner
26 of the land, shall be assessed and taxed separately to the
27 owner of such rights or interests in the same manner as other
28 real estate. The taxes on such rights or interests that are
29 not owned by the surface owner of the land shall not be a lien
30 on the land.

31 Sec. 5. Section 458A.19, Code 2026, is amended to read as
32 follows:

33 **458A.19 Rate.**

34 In order to pay the costs of assessment and collection and
35 provide a reasonable minimum standard of taxation, the taxes on

1 any mineral rights or interests not owned by the surface owner
2 of the land shall be not less than five cents per acre.

3 Sec. 6. Section 458A.20, Code 2026, is amended to read as
4 follows:

5 **458A.20 Tax sale — redemption by owner.**

6 1. When If the taxes on any mineral rights or interests
7 not owned by the surface owner of the land are sold at tax
8 sale, and when delinquent, the county treasurer shall send a
9 statement of delinquent taxes and a notice that the mineral
10 rights or interests will be conveyed to the owner of the
11 associated surface tract unless the owner of those mineral
12 rights or interests does not redeem under the provisions of
13 chapter 447 pays the total amount of the delinquent taxes,
14 interest, and costs to the county treasurer within ninety days
15 after the tax sale, the owner of the land shall thereafter have
16 the same right of redemption as the owner of the mineral rights
17 or interests has, and redemption by the notice is served.
18 The county treasurer shall serve the notice by sending it by
19 regular first class mail to the person's last known address and
20 to the address of the person's registered agent listed with the
21 secretary of state, applicable.

22 2. When the owner of those mineral rights or interests does
23 not pay the total amount due by the deadline, the county shall
24 convey the mineral rights or interests pursuant to section
25 331.310 to the surface owner of the land. Such conveyance
26 shall terminate any right of redemption of the owner of the
27 mineral rights or interests.

28 3. a. The county may collect the total amount due by
29 converting the amount due to a personal judgment against the
30 owner of the delinquent mineral interest pursuant to sections
31 445.3 and 446.20, notwithstanding the absence of a tax sale or
32 tax sale certificate.

33 b. If the treasurer determines that it is impractical to
34 pursue collection of the total amount due and the personal
35 judgment remedies, the treasurer shall make a written

1 recommendation to the board of supervisors to abate the amount
2 due. The board of supervisors shall abate, by resolution, the
3 amount due and direct the treasurer to strike the amount due
4 from the county system.

5 Sec. 7. Section 557C.1, Code 2026, is amended to read as
6 follows:

7 **557C.1 Lapse of mineral interests in coal — prevention.**

8 A mineral interest in coal shall be extinguished is
9 abandoned if it has not been active in accordance with section
10 557C.2A for a period of twenty years after its creation,
11 transfer, or preservation, unless a statement of claim is
12 filed in accordance with section 557C.3, and the ownership
13 shall revert to the person who was then the owner of the
14 interest from which the mineral interest in coal was created,
15 transferred, or preserved. Title to an abandoned mineral
16 interest vests in the owner of the surface estate in the land
17 in, or under, which the mineral interest is located on the date
18 of abandonment. Upon the filing of a statement of claim within
19 the specified period, the mineral interest shall be deemed to
20 have been preserved for an additional period of twenty years,
21 or a shorter period as may be specified in the instrument
22 creating the interest.

23 Sec. 8. Section 557C.2, subsection 2, Code 2026, is amended
24 to read as follows:

25 2. "~~Mineral Severed mineral interest in coal~~" means an
26 interest created by an instrument ~~which~~ that creates or
27 transfers, either by grant, assignment, reservation, or
28 otherwise, an interest of any kind in coal, ~~as described in~~
29 ~~chapter 207,~~ without limitation on the manner of mining the
30 coal any naturally occurring gases, oil, or other gaseous,
31 liquid, or solid hydrocarbons; oil shale; gemstones; metals;
32 fissionable or nonfissionable ore; or steam or other geothermal
33 resources.

34 Sec. 9. NEW SECTION. **557C.2A Active mineral interests.**

35 A severed mineral interest is active when any one of the

1 following conditions exists:

2 1. Minerals are produced or explored by the record owner
3 of the mineral interest, or the rightful assignees or lessees
4 of the record owner of the severed mineral interest, or
5 pursuant to a pooling order issued by the department of natural
6 resources pursuant to chapter 458A.

7 2. Operations are conducted for extraction, withdrawal,
8 injection, storage, or disposal of water, gas, or other fluid
9 substances to produce or enhance the production of minerals
10 by or with the express permission of the record holder of the
11 mineral interest, or pursuant to a pooling order issued by the
12 department of natural resources pursuant to chapter 458A.

13 3. For solid minerals, there is a production from a well or
14 a common vein or seam with the express permission, including
15 such permission as provided for in an instrument of lease or
16 other form of assignment, of the record owner of the severed
17 mineral interest, or pursuant to a pooling order issued by the
18 department of natural resources pursuant to chapter 458A.

19 4. Any valid conveyance, lease, mortgage, assignment,
20 private distribution, termination of joint tenancy interest
21 affidavit, termination of life estate affidavit, or any
22 judgment or decree that makes specific references to the record
23 owner's severed mineral interest is recorded within the last
24 twenty years in the recorder's office for the county in which
25 the severed mineral interest is located.

26 5. The severed mineral interest is subject to a written
27 agreement or pooling order issued by the department of natural
28 resources pursuant to chapter 458A.

29 6. A statement of claim is filed in accordance with section
30 557C.3.

31 Sec. 10. Section 557C.3, Code 2026, is amended to read as
32 follows:

33 **557C.3 Statement of claim — filing requirement.**

34 The statement of claim provided in [section 557C.1](#) shall be
35 filed by the owner of the severed mineral interest ~~in coal~~

1 prior to the end of the twenty-year period set forth in section
2 557C.1 or by July 1, 1994, whichever is later. The statement
3 of claim shall contain the name and address of the owner of
4 the severed mineral interest ~~in coal~~, and a description of the
5 real estate on, or under, which the severed mineral interest ~~in~~
6 ~~coal~~ is located. The statement of claim shall be filed in the
7 office of the recorder in the county in which the real estate
8 is located.

9 Sec. 11. Section 557C.4, Code 2026, is amended to read as
10 follows:

11 **557C.4 Statement of claim — recorder's duty.**

12 Upon the filing of the statement of claim provided for
13 in [section 557C.3](#) in the recorder's office for the county
14 where the real estate on, or under, which the severed mineral
15 interest ~~in coal~~ exists, is located, the recorder shall record
16 the statement of claim and index the entries required to be
17 made pursuant to [section 557C.3](#) and any applicable entries
18 specified in [sections 558.49](#) and [558.52](#).

19 Sec. 12. Section 557C.5, Code 2026, is amended to read as
20 follows:

21 **557C.5 Reservation in other conveyance.**

22 A reservation of a mineral interest ~~in coal~~ or an exception
23 of a mineral interest ~~in coal~~, contained in a conveyance of
24 the interest out of which it is carved, by a nonowner of the
25 mineral interest ~~in coal~~ shall not be deemed to satisfy the
26 requirements of [this chapter](#) or as a revival of a severed
27 mineral interest ~~in coal~~ otherwise extinguished under this
28 chapter.

29 Sec. 13. Section 557C.6, Code 2026, is amended to read as
30 follows:

31 **557C.6 Exemption.**

32 The filing of the statement of claim required under section
33 557C.3 to preserve the severed mineral interest ~~in coal~~ shall
34 not be required of an owner if the severed mineral interest was
35 separately taxed for real estate tax purposes at any time after

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1 July 1, 1971, the tax was paid, the mineral interest has not
2 been subject to a tax sale, and the severed mineral interest
3 has not been conveyed to the owner of the surface estate
4 pursuant to sections 331.310 or 458A.20.