

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:

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
8 and affording the account holder the opportunity for a hearing
9 prior to discontinuance or disconnection of service. If the
10 account holder is a tenant, ~~and if the owner or landlord of the~~
11 ~~property or premises has made a written request for notice,~~ the
12 notice shall also be given to the owner or landlord when the
13 tenant is sixty days delinquent on payment, and at least ten
14 days before the utility is discontinued or disconnected. If
15 the account holder is a tenant and requests a change of name
16 for service under the account, such request shall be sent to
17 the owner or landlord of the property if the owner or landlord
18 has made a written request for notice of any change of name for
19 service under the account to the rental property.

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

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

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

26 Sec. 3. EFFECTIVE DATE. This Act takes effect January 1,
27 2027.