HOUSE FILE 555
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 166)

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

[= New Language by the House

* = Language Stricken by the House

A BILL FOR

An Act prohibiting counties and cities from regulating the sale of natural gas and propane.

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

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

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

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

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

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

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

NEW SUBSECTION. 13.[*a.*] A city shall not adopt, enforce, or otherwise administer an ordinance, motion, resolution, or amendment, or use any other means, to restrict, impede,

* regulate, or[prohibit, intentionally or effectively,] any of the following:

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

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

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

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

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

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