SENATE FILE 2438
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 3128)

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

_____ = New Language by the Senate

A BILL FOR

An Act relating to city utilities including landlord notification, and including effective date provisions.

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

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

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

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

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

storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal to be paid to the utility or enterprise. A city utility or enterprise may require a deposit not exceeding the usual cost of sixty days of the services of gas and electric to be paid to the utility or enterprise. Upon receipt, the utility or enterprise shall acknowledge the notice and deposit. A written notice shall contain the name of the tenant responsible for the charges, the address of the residential rental property that the tenant is to occupy, and the date that the occupancy begins. A change in tenant shall require a new written notice to be given to the city utility or enterprise within thirty business days of the change in tenant. When the tenant moves from the rental property, the city utility or enterprise shall return the deposit if the charges for the services of gas, electric, sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal are paid in full. A change in the ownership of the residential rental property shall require written notice of such change to be given to the city utility or enterprise within thirty business days of the completion of the change of ownership. The lien exemption for rental property does not apply to charges for repairs related to a service of sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal if the repair charges become delinquent.

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