

CHAPTER 50

CITY FRANCHISES — WATERWORKS OR SEWER SERVICES

H.F. 307

AN ACT relating to the procedures for granting a waterworks or sewer services franchise by a city and including effective date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 364.2, subsection 4, paragraphs a and b, Code 2017, are amended to read as follows:

a. A city may grant to any person a franchise to erect, maintain, and operate plants and systems for electric light and power, heating, telegraph, cable television, district telegraph and alarm, motor bus, trolley bus, street railway or other public transit, waterworks, sewer services, or gasworks, within the city for a term of not more than twenty-five years. When considering whether to grant, amend, extend, or renew a franchise, a city shall hold a public hearing on the question. Notice of the time and place of the hearing shall be published as provided in [section 362.3](#). The franchise may be granted, amended, extended, or renewed only by an ordinance, but no exclusive franchise shall be granted, amended, extended, or renewed.

b. Such an ordinance shall not become effective unless approved at an election. The proposal may be submitted by the council on its own motion to the voters at any city election. Upon receipt of a valid petition as defined in [section 362.4](#) requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election or at a special election called for that purpose before the next regular city election. However, the city council may dispense with such election as to the grant, amendment, extension, or renewal of an electric light and power, heating, waterworks, sewer services under [section 357A.23](#), or gasworks franchise unless there is a valid petition requesting submission of the proposal to the voters, or the party seeking such franchise, grant, amendment, extension, or renewal requests an election. If a majority of those voting approves the proposal, the city may proceed as proposed. The complete text of the ordinance shall be included on the ballot if conventional paper ballots are used. If an optical scan voting system is used, the proposal shall be stated on the optical scan ballot, and the full text of the ordinance posted for the voters pursuant to [section 52.25](#). All absentee voters shall receive the full text of the ordinance.

Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 12, 2017