

CHAPTER 121

PUBLIC UTILITIES — FEES FOR USE OF PUBLIC RIGHTS-OF-WAY

H.F. 537

AN ACT relating to the imposition of certain fees on public utilities for the use of public rights-of-way.

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

Section 1. [Section 480A.2, subsection 2](#), Code 2019, is amended to read as follows:

2. “*Management costs*” means the reasonable, direct, and fully documented costs a local government actually incurs ~~in managing to manage~~ to manage public rights-of-way.

Sec. 2. [Section 480A.3](#), Code 2019, is amended to read as follows:

480A.3 Fees.

1. A local government shall not recover any fee from a public utility for the use of its available right-of-way, other than a permit fee for its management costs attributable to the public utility’s requested use of the local government’s right-of-way. ~~A local government may recover from a public utility only those management costs caused by the public utility’s activity in the public right-of-way.~~ A fee or other obligation under [this section](#) shall be imposed on a competitively neutral basis. When a local government’s management costs cannot be attributed to only one entity, those costs shall be allocated among all users of the public rights-of-way, including the local government itself. The allocation shall reflect proportionately the costs incurred by the local government as a result of the various types of uses of the public rights-of-way.

2. [This section](#) does not prohibit:

a. Prohibit the collection of a franchise fee as permitted in [section 480A.6](#).

b. Prohibit voluntary agreements between a public utility and local government to share services for the purpose of reducing costs and preserving public rights-of-way for future public safety purposes.

Sec. 3. [Section 480A.4](#), Code 2019, is amended to read as follows:

480A.4 In-kind services.

A local government, in lieu of a fee imposed under [this chapter](#), shall not require in-kind services by a public utility right-of-way user, or require in-kind services as a condition of the use of the local government’s public right-of-way, unless pursuant to a voluntary agreement between a public utility and local government to share services for the purpose of reducing costs and preserving public rights-of-way for future public safety purposes.

Approved May 10, 2019