

CHAPTER 1095

AT-RISK CITY WATER UTILITY SYSTEMS

H.F. 2452

AN ACT relating to the disposal and acquisition of city water utilities, including at-risk systems.

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

Section 1. **NEW SECTION. 455B.199D At-risk utility systems.**

1. For purposes of [this section](#), “*at-risk system*” means a city drinking water, sanitary sewage, or storm water drainage system that the city determines meets any of the following criteria:

a. The system serves a disadvantaged community as described in [section 455B.199B](#).

b. The system includes a water treatment plant, water distribution system, or wastewater treatment plant that has not been operated by a competent operator pursuant to [section 455B.223](#) within the previous twelve months.

c. The system violated one or more state or federal statutory or regulatory requirements in a manner that affects the safety, adequacy, or efficiency of its services or facilities.

2. A new owner of an at-risk system following disposal of the system by sale pursuant to [section 388.2A](#) may provide to the department proof of the availability of financial resources to meet system upgrade requirements and a revised timetable for compliance with department rules. The department shall agree to the revised timetable if the department determines the revised timetable is reasonable based on the information provided by the new owner.

Sec. 2. [Section 476.84, subsection 2](#), Code 2020, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0e.* If the acquisition involves a utility that is an at-risk system as defined in [section 455B.199D](#), the board shall issue a final order on an application for approval of the acquisition within one hundred eighty days of the filing date of the application.

Approved June 25, 2020