

Senate Study Bill 1166 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON SCHULTZ)

A BILL FOR

1 An Act relating to applications for permits to construct
2 electric transmission lines, pipelines and underground
3 storage facilities, and hazardous liquid pipelines,
4 making penalties applicable, providing fees, and including
5 effective date and applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 6A.22, subsection 2, paragraph b, Code
2 2025, is amended to read as follows:

3 b. Except as specifically included in the definition in
4 paragraph "a", "*public use*" or "*public purpose*" or "*public*
5 *improvement*" does not mean the construction of pipelines, roads,
6 electric transmission lines, or internet cables, except within
7 a city or village, or economic development activities resulting
8 in increased tax revenues, increased employment opportunities,
9 privately owned or privately funded housing and residential
10 development, privately owned or privately funded commercial or
11 industrial development, or the lease of publicly owned property
12 to a private party.

13 Sec. 2. Section 6B.2B, Code 2025, is amended to read as
14 follows:

15 **6B.2B Acquisition negotiation.**

16 1. The acquiring agency shall make a good faith effort to
17 negotiate with the owner to purchase the private property or
18 property interest before filing an application for condemnation
19 or otherwise proceeding with the condemnation process. A
20 landowner shall have the right to bring a cause of action
21 against an acquiring agency who fails to negotiate in good
22 faith. An acquiring agency shall not make an offer to purchase
23 the property or property interest that is less than the
24 fair market value the acquiring agency has established for
25 the property or property interest pursuant to the appraisal
26 required in [section 6B.45](#) or less than the value determined
27 under the acquiring agency's waiver procedure established
28 pursuant to [section 6B.54, subsection 2](#), for acquisition of
29 property with a low fair market value. A purchase offer made
30 by an acquiring agency shall include provisions for payment
31 to the owner of expenses, including relocation expenses,
32 expenses listed in [section 6B.54, subsection 10](#), and other
33 expenses required by law to be paid by an acquiring agency to a
34 condemnee. However, in the alternative, the acquiring agency
35 may make, and the owner may accept, a purchase offer from the

1 acquiring agency that is an amount equal to one hundred thirty
2 percent of the appraisal amount plus payment to the owner of
3 expenses listed in [section 6B.54, subsection 10](#), once those
4 expenses have been determined. If the owner accepts such a
5 purchase offer, the owner is barred from claiming payment
6 from the acquiring agency for any other expenses allowed by
7 law. An acquiring agency need not make an offer in excess of
8 the amounts described in [this section](#) in order to satisfy the
9 requirement to negotiate in good faith. The option to make
10 an alternative purchase offer does not apply when property is
11 being acquired for street and highway projects undertaken by
12 the state, a county, or a city.

13 2. An acquiring agency shall disclose all of a landowner's
14 legal rights in each purchase offer, including but not limited
15 to all of the following:

16 a. The statement of individual rights created pursuant to
17 section 6B.2A.

18 b. The damages and costs for which the acquiring agency is
19 liable.

20 c. The acquiring agency's obligations relating to land
21 restoration.

22 Sec. 3. Section 476A.7, subsection 1, Code 2025, is amended
23 to read as follows:

24 1. Issuance of a certificate by the commission authorizes
25 all of the following:

26 a. ~~Authorizes~~ The construction of the facility on the
27 site designated in the certificate according to the terms and
28 conditions stated in the certificate and licenses and permits
29 issued by regulatory agencies during the proceeding; and,

30 b. ~~Gives the applicant~~ The use of the power of eminent
31 domain by the applicant to the extent and under such conditions
32 as the commission may approve, prescribe, and find necessary
33 for the public convenience, use, and necessity, subject to
34 subsection 4, proceeding in the manner of works of internal
35 improvement under [chapter 6B](#). The burden of proving the

1 necessity for the exercise of the power of eminent domain shall
2 be on the person issued the certificate.

3 Sec. 4. Section 476A.7, Code 2025, is amended by adding the
4 following new subsection:

5 NEW SUBSECTION. 4. The commission shall not grant eminent
6 domain rights to a person, company, or corporation having
7 secured a certificate as provided in this chapter unless at
8 least nine-tenths of the affected parcels and three-quarters of
9 the total distance of the facility have been acquired through
10 voluntary easements. The commission shall not require more
11 than nine-tenths of easements to be voluntary.

12 Sec. 5. Section 478.2, subsection 4, Code 2025, is amended
13 to read as follows:

14 4. a. A person seeking rights under this chapter shall
15 not negotiate or purchase any easements or other interests
16 in land in any county known to be affected by the proposed
17 project prior to the informational meeting. A person seeking
18 rights under this chapter shall not engage in communication
19 with landowners prior to negotiations without obtaining a
20 landowner's written consent to the communication, except for an
21 initial contact to seek such written consent.

22 b. A person seeking rights under this chapter may contact
23 landowners within five miles of the project's proposed route
24 for the purpose of seeking voluntary easements under the same
25 conditions as paragraph "a".

26 Sec. 6. Section 478.3, Code 2025, is amended by adding the
27 following new subsection:

28 NEW SUBSECTION. 4. An individual, company, or corporation
29 seeking to exercise eminent domain shall submit with the
30 petition a fee set by the commission for purposes of paying the
31 cost of communication between the commission and the landowner.

32 Sec. 7. Section 478.6, subsection 2, Code 2025, is amended
33 to read as follows:

34 2. Where a petition seeks the use of the right of eminent
35 domain over specific parcels of real property, the commission

1 shall prescribe the notice to be served upon the owners of
2 record and parties in possession of the property over which
3 the use of the right of eminent domain is sought. The notice
4 shall ~~include the~~ disclose all of a landowner's legal rights
5 including but not limited to all of the following:

6 a. The statement of individual rights required pursuant to
7 section 6B.2A, subsection 1.

8 b. The damages a person, company, or corporation with a
9 franchise is liable for under section 478.17A.

10 c. The person, company, or corporation's obligations
11 relating to land restoration pursuant to section 478.35.

12 Sec. 8. Section 478.15, subsections 1 and 2, Code 2025, are
13 amended to read as follows:

14 1. Any person, company, or corporation having secured a
15 franchise as provided in this chapter, subject to subsection
16 1A, shall thereupon be vested with the right of eminent
17 domain to such extent as the utilities commission may approve,
18 prescribe, and find to be necessary for public use, not
19 exceeding one hundred feet in width for right-of-way and
20 not exceeding one hundred sixty acres in any one location,
21 in addition to right-of-way, for the location of electric
22 substations to carry out the purposes of said franchise;
23 provided, however, that where two hundred kilovolt lines
24 or higher voltage lines are to be constructed, the person,
25 company, or corporation may apply to the commission for a wider
26 right-of-way not to exceed two hundred feet, and the commission
27 may for good cause extend the width of such right-of-way for
28 such lines to the person, company, or corporation applying for
29 the same. The burden of proving the necessity for public use
30 shall be on the person, company, or corporation seeking the
31 franchise. A homestead site, cemetery, orchard, or schoolhouse
32 location shall not be condemned for the purpose of erecting
33 an electric substation. If agreement cannot be made with the
34 private owner of lands as to damages caused by the construction
35 of said transmission line, or electric substations, the same

1 proceedings shall be taken as provided for taking private
2 property for works of internal improvement.

3 2. Any person, company, or corporation proposing to
4 construct a transmission line or other facility that involves
5 the taking of property under the right of eminent domain
6 and desiring to enter upon the land, which it proposes to
7 appropriate, for the purpose of examining or surveying the
8 same, shall first file with the utilities commission a written
9 statement under oath setting forth the proposed routing of
10 the line or facility including a description of the lands to
11 be crossed, the names and addresses of owners, together with
12 request that a permit be issued by the commission authorizing
13 the person, company, or corporation or its duly appointed
14 representative to enter upon the land for the purpose of
15 examining and surveying and to take and use on the land any
16 vehicle and surveying equipment necessary in making the survey.
17 The commission shall within ten days after the request issue
18 a permit, accompanied by such bond in such amount as the
19 commission shall approve pursuant to subsection 2A, to the
20 person, company, or corporation making the application, if in
21 the commission's opinion the application is made in good faith
22 and not for the purpose of harassing the owner of the land. If
23 the commission is of the opinion that the application is not
24 made in good faith or made for the purpose of harassment to
25 the owner of the land, the commission shall set the matter for
26 hearing. The matter shall be heard not more than twenty days
27 after filing the application. Notice of the time and place of
28 hearing shall be given by the commission, to the owner of the
29 land by registered mail with a return receipt requested, not
30 less than ten days preceding the date of hearing.

31 Sec. 9. Section 478.15, Code 2025, is amended by adding the
32 following new subsections:

33 NEW SUBSECTION. 1A. The commission shall not grant eminent
34 domain rights to a person, company, or corporation having
35 secured a franchise as provided in this chapter unless at least

1 nine-tenths of the affected parcels and three-quarters of the
2 transmission line, wire, or cable's total distance have been
3 acquired through voluntary easements. The commission shall not
4 require more than nine-tenths of easements to be voluntary.

5 NEW SUBSECTION. 2A. Before a person, company, or
6 corporation seeking a franchise is granted a franchise under
7 this chapter, the person, company, or corporation must satisfy
8 the commission that the applicant has property within this
9 state other than a transmission line, wire, or cable subject
10 to execution of a value in excess of one million dollars, or
11 the person, company, or corporation must file and maintain with
12 the commission a surety bond in the penal sum of the lesser
13 of one million dollars or one percent of the project value
14 with surety approved by the commission, conditioned that the
15 person, company, or corporation will pay any and all damages
16 legally recovered against it growing out of the construction or
17 operation of its transmission line, wire, or cable in the state
18 of Iowa. When the person, company, or corporation seeking
19 a franchise under this chapter deposits with the commission
20 security satisfactory to the commission as a guaranty for
21 the payment of the damages, or furnishes to the commission
22 satisfactory proofs of its solvency and financial ability to
23 pay the damages, the person, company, or corporation seeking
24 a franchise under this chapter is relieved of the provisions
25 requiring bond.

26 Sec. 10. NEW SECTION. 478.17A Transmission line operation
27 — damages.

28 1. Any person, company, or corporation having secured a
29 franchise as provided in this chapter shall be responsible for
30 damages resulting from construction, operation, or maintenance,
31 including damages resulting from an environmental disaster,
32 to local livestock, or other damages attributable to the
33 construction, operation, or maintenance.

34 2. A claim for damage for future crop deficiency within the
35 easement strip shall not be precluded from renegotiation under

1 section 6B.52 on the grounds that it was apparent at the time
2 of settlement. The landowner shall notify the person, company,
3 or corporation seeking the franchise in writing fourteen days
4 prior to harvest in each year to assess crop deficiency or by
5 providing global positioning system yield monitoring data or
6 similar assessment data demonstrating crop deficiency to the
7 company within thirty days of harvest.

8 Sec. 11. NEW SECTION. **478.34 Liability.**

9 Notwithstanding any provision in this chapter to the
10 contrary, except when a landowner's actions constitute gross
11 negligence and the landowner commits critical infrastructure
12 sabotage as defined in section 716.11, the landowner shall not
13 be liable for any damages to a transmission line, wire, or
14 cable.

15 Sec. 12. NEW SECTION. **478.35 Land restoration standard.**

16 1. The commission, pursuant to chapter 17A, shall
17 adopt rules establishing standards for the restoration of
18 agricultural lands during and after a transmission line,
19 wire, or cable construction. In addition to the requirements
20 of section 17A.4, the commission shall distribute copies
21 of the notice of intended action and opportunity for oral
22 presentations to each county board of supervisors. Any county
23 board of supervisors may, under the provisions of chapter
24 17A, and subsequent to the rulemaking proceedings, petition
25 under those provisions for additional rulemaking to establish
26 standards for land restoration after a transmission line, wire,
27 or cable construction within that county. Upon the request
28 of the petitioning county, the commission shall schedule a
29 hearing to consider the merits of the petition. Rules adopted
30 under this section shall not apply to land located within city
31 boundaries unless the land is used for agricultural purposes.
32 Rules adopted under this section shall address, but are not
33 limited to, all of the following subject matters:

34 a. Topsoil separation and replacement.

35 b. Temporary and permanent repair to drain tile.

- 1 *c.* Removal of rocks and debris from the right-of-way.
- 2 *d.* Restoration of areas of soil compaction.
- 3 *e.* Restoration of terraces, waterways, and other erosion
- 4 control structures.
- 5 *f.* Revegetation of untilled land.
- 6 *g.* Future installation of drain tile or soil conservation
- 7 structures.
- 8 *h.* Restoration of land slope and contour.
- 9 *i.* Restoration of areas used for field entrances and
- 10 temporary roads.
- 11 *j.* Construction in wet conditions.
- 12 *k.* Designation of a person, company, or corporation seeking
- 13 a franchise point of contact for landowner inquiries or claims.
- 14 2. The county board of supervisors shall cause an on-site
- 15 inspection for compliance with the standards adopted under
- 16 this section to be performed at any transmission line, wire,
- 17 or cable construction project in the county. A licensed
- 18 professional engineer familiar with the standards adopted
- 19 under this section and registered under chapter 542B shall be
- 20 responsible for the inspection. A county board of supervisors
- 21 may contract for the services of a licensed professional
- 22 engineer for the purposes of the inspection. The reasonable
- 23 costs of the inspection shall be paid by the person, company,
- 24 or corporation seeking the franchise.
- 25 3. If the inspector determines that there has been a
- 26 violation of the standards adopted under this section, of
- 27 the land restoration plan, or of an independent agreement on
- 28 land restoration or line location executed in accordance with
- 29 subsection 10, the inspector shall give oral notice, followed
- 30 by written notice, to the person, company, or corporation
- 31 seeking the franchise and the contractor operating for the
- 32 person, company, or corporation seeking the franchise and order
- 33 corrective action to be taken in compliance with the standards.
- 34 The costs of the corrective action shall be borne by the
- 35 contractor operating for the person, company, or corporation

1 seeking the franchise.

2 4. An inspector shall adequately inspect underground
3 improvements altered during transmission line, wire, or cable
4 construction. An inspection shall be conducted at the time of
5 the replacement or repair of the underground improvements. An
6 inspector shall be present on the site at all times at each
7 phase and separate activity of the opening of the trench, if
8 applicable, the restoration of underground improvements, and
9 backfilling. The person, company, or corporation seeking
10 the franchise and its contractor shall keep an inspector
11 continually informed of the work schedule and any schedule
12 changes. If proper notice is given, construction shall not
13 be delayed due to an inspector's failure to be present on the
14 site.

15 5. If the person, company, or corporation seeking
16 the franchise or its contractor does not comply with the
17 requirements of this section, with the land restoration plan
18 or line location, or with an independent agreement on land
19 restoration executed in accordance with subsection 10, the
20 county board of supervisors may petition the commission for an
21 order requiring corrective action to be taken. In addition,
22 the county board of supervisors may file a complaint with the
23 commission seeking imposition of civil penalties under section
24 478.29.

25 6. The person, company, or corporation seeking the
26 franchise shall allow landowners and the inspector to view
27 the proposed center line of the transmission line, wire, or
28 cable prior to commencing trenching operations to ensure that
29 construction takes place in its proper location.

30 7. An inspector may temporarily halt the construction
31 if the construction is not in compliance with this chapter
32 and the standards adopted pursuant to this chapter, the land
33 restoration plan, or the terms of an independent agreement
34 with the person, company, or corporation seeking the franchise
35 regarding land restoration or line location executed in

1 accordance with subsection 10, until the inspector consults
2 with the supervisory personnel of the person, company, or
3 corporation seeking the franchise.

4 8. The commission shall instruct inspectors appointed by
5 the board of supervisors regarding the content of the statutes
6 and rules and the inspectors' responsibility to require
7 construction conforming with the standards provided by this
8 chapter.

9 9. A person, company, or corporation having secured a
10 franchise as provided in this chapter shall file with the
11 petition a written land restoration plan showing how the
12 requirements of this section, and of rules adopted pursuant to
13 this section, will be met. The person, company, or corporation
14 seeking the franchise shall provide copies of the plan to
15 all landowners of property that will be disturbed by the
16 construction.

17 10. This section does not preclude the application of
18 provisions for protecting or restoring property that are
19 different than those prescribed in this section, in rules
20 adopted under this section, or in the land restoration plan,
21 if the alternative provisions are contained in agreements
22 independently executed by the person, company, or corporation
23 seeking the franchise and the landowner, and if the alternative
24 provisions are not inconsistent with state law or with rules
25 adopted by the commission. Independent agreements on land
26 restoration or line location between the landowner and person,
27 company, or corporation seeking the franchise shall be in
28 writing and a copy shall be provided to the county inspector.

29 Sec. 13. Section 479.5, subsection 5, Code 2025, is amended
30 to read as follows:

31 5. a. A pipeline company seeking rights under this
32 chapter shall not negotiate or purchase any easements or
33 other interests in land in any county known to be affected by
34 the proposed project prior to the informational meeting. A
35 pipeline company seeking rights under this chapter shall not

1 engage in communication with landowners prior to negotiations
2 without obtaining a landowner's written consent to the
3 communication, except for an initial contact to seek such
4 written consent.

5 b. A person seeking rights under this chapter may contact
6 landowners within five miles of the project's proposed route
7 for the purpose of seeking voluntary easements under the same
8 conditions as paragraph "a".

9 Sec. 14. Section 479.7, subsection 2, Code 2025, is amended
10 to read as follows:

11 2. Where a petition seeks the use of the right of eminent
12 domain over specific parcels of real property, the commission
13 shall prescribe the notice to be served upon the owners of
14 record and parties in possession of the property over which
15 the use of the right of eminent domain is sought. The notice
16 shall ~~include the~~ disclose all of a landowner's legal rights
17 including but not limited to all of the following:

18 a. The statement of individual rights required pursuant to
19 section 6B.2A.

20 b. The costs a pipeline company is liable for under sections
21 479.25, 479.45, and 479.47.

22 c. The pipeline company's obligations relating to land
23 restoration pursuant to section 479.29.

24 Sec. 15. Section 479.24, subsection 1, Code 2025, is amended
25 to read as follows:

26 1. A pipeline company granted a pipeline permit under
27 this chapter shall, subject to subsection 3, be vested with
28 the right of eminent domain to the extent necessary and as
29 prescribed and approved by the commission, not exceeding
30 seventy-five feet in width for right-of-way and not exceeding
31 one acre in any one location in addition to right-of-way for
32 the location of pumps, pressure apparatus, or other stations or
33 equipment necessary to the proper operation of its pipeline.
34 The commission may grant additional eminent domain rights where
35 the pipeline company has presented sufficient evidence to

1 adequately demonstrate that a greater area is required for the
2 proper construction, operation, and maintenance of the pipeline
3 or for the location of pumps, pressure apparatus, or other
4 stations or equipment necessary to the proper operation of its
5 pipeline.

6 Sec. 16. Section 479.24, Code 2025, is amended by adding the
7 following new subsections:

8 NEW SUBSECTION. 3. The commission shall not grant eminent
9 domain rights to a pipeline company seeking a permit under this
10 section unless at least nine-tenths of the affected parcels
11 and three-quarters of the pipeline project's total distance
12 have been acquired through voluntary easements. The commission
13 shall not require more than nine-tenths of easements to be
14 voluntary.

15 NEW SUBSECTION. 4. When constructing on property obtained
16 by eminent domain, a pipeline company must construct its
17 pipeline or underground storage facility at least eight feet
18 underground, unless otherwise negotiated with the landowner.

19 Sec. 17. Section 479.25, Code 2025, is amended to read as
20 follows:

21 **479.25 Damages.**

22 1. A pipeline company operating a pipeline or a gas
23 storage area shall have reasonable access to the pipeline or
24 gas storage area for the purpose of constructing, operating,
25 maintaining, or locating pipes, pumps, pressure apparatus or
26 other stations, wells, devices, or equipment used in or upon
27 the pipeline or gas storage area; shall pay the owner of the
28 land for the right of entry and the owner of crops for all
29 damages caused by entering, using, or occupying the land; and
30 shall pay to the owner all damages caused by the completion
31 of construction of the pipeline due to wash or erosion of the
32 soil at or along the location of the pipeline and due to the
33 settling of the soil along and above the pipeline. However,
34 this section shall not prevent the execution of an agreement
35 between the pipeline company and the owner of land or crops

1 with reference to the use of the land.

2 2. A pipeline company operating a pipeline or a gas
3 storage area shall be responsible for damages resulting from
4 construction, operation, or maintenance, including damages
5 resulting from an environmental disaster, to local livestock,
6 or other damages attributable to the construction, operation,
7 or maintenance.

8 Sec. 18. Section 479.26, Code 2025, is amended to read as
9 follows:

10 **479.26 Financial condition of permittee — bond.**

11 Before any permit is granted under **this chapter** the
12 applicant must satisfy the commission that the applicant has
13 property within this state other than pipelines, subject to
14 execution of a value in excess of ~~two hundred fifty thousand~~
15 one million dollars, or the applicant must file and maintain
16 with the commission a surety bond in the penal sum of ~~two~~
17 ~~hundred fifty thousand~~ the lesser of one million dollars or
18 one percent of the project value with surety approved by the
19 commission, conditioned that the applicant will pay any and
20 all damages legally recovered against it growing out of the
21 construction or operation of its pipeline and gas storage
22 facilities in the state of Iowa. When the pipeline company
23 deposits with the commission security satisfactory to the
24 commission as a guaranty for the payment of the damages, or
25 furnishes to the commission satisfactory proofs of its solvency
26 and financial ability to pay the damages, the pipeline company
27 is relieved of the provisions requiring bond.

28 Sec. 19. NEW SECTION. **479.35 Liability.**

29 Notwithstanding any provision in this chapter to the
30 contrary, except when a landowner's actions constitute gross
31 negligence and the landowner commits critical infrastructure
32 sabotage as defined in section 716.11, the landowner shall not
33 be liable for any damages to a pipeline or gas storage area.

34 Sec. 20. Section 479.45, subsection 2, Code 2025, is amended
35 to read as follows:

1 2. A claim for damage for future crop deficiency within
2 the easement strip shall not be precluded from renegotiation
3 under [section 6B.52](#) on the grounds that it was apparent at the
4 time of settlement ~~unless the settlement expressly releases the~~
5 ~~pipeline company from claims for damage to the productivity of~~
6 ~~the soil~~. The landowner shall notify the company in writing
7 fourteen days prior to harvest in each year to assess crop
8 deficiency or by providing global positioning system yield
9 monitoring data or similar assessment data demonstrating crop
10 deficiency to the company within thirty days of harvest.

11 Sec. 21. Section 479B.4, subsection 6, Code 2025, is amended
12 to read as follows:

13 6. a. A pipeline company seeking rights under [this chapter](#)
14 shall not negotiate or purchase an easement or other interest
15 in land in a county known to be affected by the proposed
16 project prior to the informational meeting. A pipeline
17 company seeking rights under this chapter shall not engage in
18 communication with landowners prior to negotiations without
19 obtaining a landowner's written consent to the communication,
20 other than an initial contact for the purpose of seeking
21 written consent.

22 b. A person seeking rights under this chapter may contact
23 landowners within five miles of the project's proposed route
24 for the purpose of seeking voluntary easements under the same
25 conditions as paragraph "a".

26 Sec. 22. Section 479B.6, Code 2025, is amended by adding the
27 following new subsections:

28 NEW SUBSECTION. 3. Upon the filing of the petition, a
29 pipeline company shall provide notice of such filing served by
30 certified mail to landowners.

31 NEW SUBSECTION. 4. Where a petition seeks the use of the
32 right of eminent domain over specific parcels of real property,
33 the commission shall prescribe the notice to be served upon
34 the owners of record and parties in possession of the property
35 over which the use of the right of eminent domain is sought.

1 The notice shall disclose all of a landowner's legal rights
2 including but not limited to all of the following:

3 *a.* The statement of individual rights created pursuant to
4 section 6B.2A.

5 *b.* The costs a pipeline company is liable for under sections
6 479B.29 and 479B.31.

7 *c.* The pipeline company's obligations relating to land
8 restoration pursuant to section 479B.20.

9 Sec. 23. Section 479B.13, Code 2025, is amended to read as
10 follows:

11 **479B.13 Financial condition of permittee — bond.**

12 Before a permit is granted under [this chapter](#) the applicant
13 must satisfy the commission that the applicant has property
14 within this state other than pipelines or underground storage
15 facilities, subject to execution of a value in excess of ~~two~~
16 ~~hundred fifty thousand~~ one million dollars, or the applicant
17 must file and maintain with the commission a surety bond in
18 the penal sum of ~~two hundred fifty thousand~~ the lesser of one
19 million dollars or one percent of the project value with surety
20 approved by the commission, conditioned that the applicant will
21 pay any and all damages legally recovered against it growing
22 out of the construction, maintenance, or operation of its
23 pipeline or underground storage facilities in this state. When
24 the pipeline company deposits with the commission security
25 satisfactory to the commission as a guaranty for the payment of
26 the damages, or furnishes to the commission satisfactory proofs
27 of its solvency and financial ability to pay the damages, the
28 pipeline company is relieved of the provisions requiring bond.

29 Sec. 24. Section 479B.16, subsection 1, Code 2025, is
30 amended to read as follows:

31 1. A pipeline company granted a pipeline permit shall,
32 subject to subsection 4, be vested with the right of eminent
33 domain, to the extent necessary and as prescribed and approved
34 by the commission, not exceeding seventy-five feet in width for
35 right-of-way and not exceeding one acre in any one location in

1 addition to right-of-way for the location of pumps, pressure
2 apparatus, or other stations or equipment necessary to the
3 proper operation of its pipeline. The commission may grant
4 additional eminent domain rights where the pipeline company
5 has presented sufficient evidence to adequately demonstrate
6 that a greater area is required for the proper construction,
7 operation, and maintenance of the pipeline or for the location
8 of pumps, pressure apparatus, or other stations or equipment
9 necessary to the proper operation of its pipeline.

10 Sec. 25. Section 479B.16, Code 2025, is amended by adding
11 the following new subsections:

12 NEW SUBSECTION. 4. The commission shall not grant eminent
13 domain rights to a pipeline company seeking a permit under this
14 section unless at least nine-tenths of the affected parcels
15 and three-quarters of the pipeline project's total distance
16 have been acquired through voluntary easements. The commission
17 shall not require more than nine-tenths of easements to be
18 voluntary.

19 NEW SUBSECTION. 5. When constructing on property obtained
20 by eminent domain, a pipeline company must construct its
21 pipeline or underground storage facility at least eight feet
22 underground, unless otherwise negotiated with the landowner.

23 Sec. 26. Section 479B.17, Code 2025, is amended to read as
24 follows:

25 **479B.17 Damages.**

26 1. A pipeline company operating a pipeline or an
27 underground storage facility shall have reasonable access to
28 the pipeline or underground storage facility for the purpose
29 of constructing, operating, maintaining, or locating pipes,
30 pumps, pressure apparatus, or other stations, wells, devices,
31 or equipment used in or upon the pipeline or underground
32 storage facility. A pipeline company shall pay the owner of
33 the land for the right of entry and the owner of crops for all
34 damages caused by entering, using, or occupying the lands and
35 shall pay to the owner all damages caused by the completion

1 of construction of the pipeline due to wash or erosion of the
2 soil at or along the location of the pipeline and due to the
3 settling of the soil along and above the pipeline. However,
4 this section does not prevent the execution of an agreement
5 between the pipeline company and the owner of the land or crops
6 with reference to the use of the land.

7 2. A pipeline company operating a pipeline or an underground
8 storage facility shall be responsible for damages resulting
9 from construction, operation, or maintenance, including damages
10 resulting from an environmental disaster, to local livestock,
11 or other damages attributable to the construction, operation,
12 or maintenance.

13 Sec. 27. Section 479B.29, subsection 2, Code 2025, is
14 amended to read as follows:

15 2. A claim for damage for future crop deficiency within
16 the easement strip shall not be precluded from renegotiation
17 under [section 6B.52](#) on the grounds that it was apparent at the
18 time of settlement ~~unless the settlement expressly releases the~~
19 ~~pipeline company from claims for damage to the productivity of~~
20 ~~the soil.~~ The landowner shall notify the pipeline company in
21 writing fourteen days prior to harvest in each year to assess
22 crop deficiency or by providing global positioning system yield
23 monitoring data or similar assessment data demonstrating crop
24 deficiency to the company within thirty days of harvest.

25 Sec. 28. NEW SECTION. 479B.34 Liability.

26 Notwithstanding any provision in this chapter to the
27 contrary, except when a landowner's actions constitute gross
28 negligence and the landowner commits critical infrastructure
29 sabotage as defined in section 716.11, the landowner shall not
30 be liable for any damages to a pipeline or gas storage area.

31 Sec. 29. EFFECTIVE DATE. This Act, being deemed of
32 immediate importance, takes effect upon enactment.

33 Sec. 30. APPLICABILITY.

34 1. The following apply to applications for a permit
35 submitted pursuant to chapters 478, 479, and 479B prior to, on,

1 or after the effective date of this Act:

2 a. The section of this Act enacting section 478.17A.

3 b. The section of this Act enacting section 478.34.

4 c. The section of this Act amending section 479.25.

5 d. The section of this Act enacting section 479.35.

6 e. The section of this Act amending section 479B.17.

7 f. The section of this Act enacting section 479B.34.

8 2. Remaining sections of this Act apply to applications
9 for a permit submitted pursuant to chapters 476A, 478, 479,
10 and 479B regarding which the first informational meeting for a
11 petition is held on or after the effective date of this Act.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 This bill relates to applications for permits to construct
16 electric transmission lines, pipelines and underground storage
17 facilities, and hazardous liquid pipelines under the purview of
18 the Iowa utilities commission (commission).

19 The bill excludes the construction of pipelines, roads,
20 electric transmission lines, or internet cables other than
21 within a city or village from the definition of a public use,
22 public purpose, or public improvement for purposes of eminent
23 domain.

24 The bill requires an acquiring agency to notify a landowner
25 of the landowner's rights in each purchase offer and creates a
26 cause of action for a landowner when an acquiring agency fails
27 to negotiate in good faith.

28 The bill modifies eminent domain rights for matters
29 under Code chapters 476A (electric power generation and
30 transmission), 478 (electric transmission lines), 479
31 (pipelines and underground gas storage), and 479B (hazardous
32 liquid pipelines and storage facilities). The bill requires
33 landowner communication consent, specified surety bond amounts,
34 liability, notice, and damage provisions for permits under the
35 respective Code sections.

1 The bill prohibits the commission from granting eminent
2 domain rights to an entity seeking those rights under Code
3 chapters 476A, 478, 479, and 479B unless at least nine-tenths
4 of the affected parcels and three-quarters of the area of
5 the proposed project are first acquired through voluntary
6 easements. The commission is prohibited from requiring more
7 than 90 percent of the easements to be voluntary.

8 The bill requires a person or entity granted a franchise
9 for an electric transmission line to pay a fee established
10 by the commission to cover the costs of the commission's
11 communications with landowners.

12 The bill requires the commission to notify a landowner of
13 the landowner's rights when an electric transmission line,
14 pipeline, underground storage facility, or hazardous liquid
15 pipeline seeks to exercise eminent domain.

16 The bill requires a person, company, or corporation seeking
17 a franchise under Code chapter 478 to satisfy a bond amount
18 with the commission. The franchise must satisfy the commission
19 that the franchisee has property in the state of a value over
20 \$1 million (not including the value of the proposed project)
21 or file and maintain with the commission a surety bond of \$1
22 million or 1 percent of the project value with surety approved
23 by the commission, conditioned that the franchisee will pay any
24 and all damages legally recovered against it growing out of the
25 construction or operation of the project in the state. When a
26 franchisee deposits security satisfactory to the commission as
27 a guaranty for the payment of the damages or furnishes to the
28 commission satisfactory proofs of its solvency and financial
29 ability to pay the damages, the franchisee shall be relieved of
30 the provisions requiring bond.

31 The bill prohibits persons seeking rights to construct
32 projects under Code chapter 478, 479, or 479B from contacting
33 landowners regarding negotiations for land acquisition without
34 first obtaining the landowner's written consent allowing
35 communication, other than an initial contact to seek such

1 written consent. The bill allows persons seeking rights to
2 construct such projects to contact landowners within five miles
3 of the project's proposed route for the purpose of obtaining a
4 voluntary easement.

5 The bill adds provisions to Code chapters 478, 479, and
6 479B requiring a person seeking to construct projects under
7 those chapters to be held liable for damages resulting from
8 construction, operation, or maintenance, including damages
9 resulting from an environmental disaster, to local livestock,
10 or other damages attributable to the construction, operation,
11 or maintenance.

12 The bill requires pipeline companies constructing on
13 property obtained by eminent domain under Code chapter 479 or
14 479B to build their projects at least eight feet underground,
15 unless otherwise negotiated with the landowner.

16 The bill provides that a claim for damages related to
17 future crop deficiency within an easement strip under Code
18 chapter 478 shall not be precluded from renegotiation under
19 Code section 6B.52 relating to eminent domain procedure for
20 the renegotiation of damages. The landowner shall notify the
21 franchisee in writing 14 days prior to harvest in each year
22 to assess crop deficiency or by providing global positioning
23 system yield monitoring data or similar assessment data
24 demonstrating crop deficiency to the company within 30
25 days of harvest. The bill modifies claims for future crop
26 deficiency damages pursuant to Code chapters 479 and 479B to
27 allow a landowner to notify a company in writing by providing
28 global positioning system yield monitoring data or similar
29 assessment data demonstrating crop deficiency to the company
30 within 30 days of harvest, and strikes language providing
31 that a settlement may expressly release a company from soil
32 productivity damage claims.

33 The bill creates new provisions relating to landowner
34 liability in Code chapters 478, 479, and 479B. The bill
35 provides that except when a landowner's actions constitute

1 gross negligence and the landowner commits critical
2 infrastructure sabotage as defined in Code section 716.11
3 (relating to critical infrastructure sabotage definitions),
4 the landowner shall not be liable for any damages to a project
5 permitted under Code chapters 478, 479, and 479B.

6 The bill includes provisions relating to land restoration
7 standards. The bill adds a land restoration section in
8 Code chapter 478 that mirrors land restoration standards in
9 Code chapters 479 and 479B. The new Code section includes
10 requirements that the commission adopt rules related to the
11 restoration of agricultural lands during and after transmission
12 line, wire, or cable construction and distribute notice of
13 intended actions to county boards of supervisors. Rules
14 shall include subject matters relating to topsoil, temporary,
15 permanent, and future drain tile issues, removal of rocks and
16 debris, soil compaction, terraces, waterways, and other erosion
17 control structures, revegetation, restoration of land slope
18 and contour, restoration of field entrance and temporary road
19 areas, construction in wet conditions, and designation of a
20 franchisee point of contact.

21 The bill provides that a county board of supervisors may
22 require an on-site compliance inspection at any time to be
23 performed by a specialized licensed professional engineer.
24 The reasonable costs of the inspection shall be paid by the
25 franchisee. Notice of a violation relating to provisions
26 regarding land restoration, the land restoration plan created
27 by the franchisee and submitted to the commission, or of an
28 independent agreement shall be given to the franchisee or a
29 contractor for the franchisee. Corrective action shall be
30 taken by the franchisee and the costs of the corrective action
31 shall be borne by the contractor of the franchisee.

32 The bill provides that a franchisee shall file a written
33 land restoration plan with their petition. The franchisee
34 shall provide copies of the plan to all landowners of property
35 that will be disturbed by the construction. The bill does not

1 preclude additional means of land protection or restoration
2 in addition to the plan, rules regarding the plan, or other
3 written agreements.

4 The bill provides that an inspector shall adequately
5 inspect underground improvements altered during transmission
6 line, wire, or cable construction, and the inspection shall
7 be conducted at the time of the replacement or repair of
8 the underground improvements. Additionally, an inspector
9 shall be present on-site at all times and the franchisee and
10 its contractor shall keep an inspector continually informed
11 of the work schedule and any schedule changes. The county
12 board of supervisors may petition the commission for an order
13 requiring corrective action to be taken when the franchisee or
14 its contractor is in noncompliance. In addition, the county
15 board of supervisors may file a complaint with the commission
16 seeking imposition of civil penalties of not more than \$100
17 per violation or \$1,000 per day of a continuing violation,
18 whichever is greater, under Code section 478.29.

19 The bill provides that a franchisee shall allow landowners
20 and the inspector to view the proposed center line of the
21 transmission line, wire, or cable prior to commencing trenching
22 operations to ensure that construction takes place in its
23 proper location, and an inspector may temporarily halt the
24 construction for noncompliance until the inspector consults
25 with the supervisory personnel of the franchisee. The
26 commission shall instruct appointed inspectors of the content
27 of the statutes and rules and the inspectors' responsibility to
28 require compliant construction.

29 The bill modifies surety bond amounts for projects
30 constructed pursuant to Code chapters 479 and 479B. The
31 bill changes the amount that an applicant for a permit shall
32 demonstrate in property value in Iowa (other than pipelines)
33 to more than \$1 million rather than \$250,000. The applicant
34 may instead file and maintain with the commission a surety bond
35 of \$1 million or 1 percent of the project value, whichever is

1 lesser, rather than a surety bond of \$250,000.
2 The bill is effective upon enactment and includes
3 applicability provisions. The bill applies to an application
4 for a permit pursuant to Code chapters 476A, 478, 479, and
5 479B when the first informational meeting for a petition is
6 held on or after the effective date of the bill, except when
7 otherwise provided. For sections of the bill relating to
8 liability regarding a landowner's gross negligence and critical
9 infrastructure sabotage and sections of the bill regarding
10 petitioner responsibility for damages under Code chapters
11 478, 479, and 479B, the bill shall apply retroactively to all
12 applications for a permit under those Code chapters.