

FEB 20 2006
LOCAL GOVERNMENT

HOUSE FILE 2435
BY HUSER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act modifying water service requirements for rural water
2 providers.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

HF 2435

1 Section 1. NEW SECTION. 357A.2A WATER SERVICE WITHIN TWO
2 MILES OF A CITY -- NOTICE.

3 1. A district or a rural water association incorporated
4 under this chapter or chapter 504 shall not provide water
5 service, other than water service provided as of April 1,
6 1987, within two miles of the limits of a city, except as
7 provided in this section.

8 2. A district or a rural water association incorporated
9 under this chapter or chapter 504 may give notice of intent to
10 provide water service to a new area within two miles of a city
11 by submitting a water plan to the city council, or if the city
12 has a municipal water utility that is governed by a board of
13 trustees to the city's utility board. The plan is only
14 required to indicate the area within two miles of the city
15 which the district or rural water association intends to
16 serve. If the city fails to respond to the plan within ninety
17 days of the city's receipt of the plan, the district or rural
18 water association may provide service in the area designated
19 in the plan. The city may inform the district or the rural
20 water association within ninety days of the city's receipt of
21 the plan that the city requires additional time or information
22 to study the question of providing water service outside the
23 limits of the city. If additional time or information is
24 required, the city shall respond to the plan within one
25 hundred eighty days of the city's receipt of the plan. In
26 responding to the plan, the city may waive its right to
27 provide water service within the areas designated for service
28 by the district or rural water association, or the city may
29 reserve the right to provide water service in some or all of
30 the areas which the district or association intends to serve.
31 If the city reserves the right to provide water service within
32 some or all of the areas which the district or rural water
33 association intends to serve, the city shall provide service
34 within four years of the city's receipt of the plan. This
35 section does not preclude a city from providing water service

1 in an area which is annexed by the city.

2 Sec. 2. Section 357A.2, unnumbered paragraphs 4 and 5,
3 Code Supplement 2005, are amended by striking the unnumbered
4 paragraphs.

5 EXPLANATION

6 This bill creates new Code section 357A.2A that is
7 substantially similar to current Code section 357A.2 that
8 prohibits a rural water district or a rural water association
9 from providing water service within two miles of a city. A
10 rural water district or a rural water association that intends
11 to provide such water service is required to notify the city
12 council or the city's utility board.

13 The bill makes the distinction between a rural water
14 district and a rural water association. A rural water
15 association is not a "district", i.e., organized under Code
16 chapter 357A. See Rural Water System #1 v. City of Sioux
17 Center, Iowa, 202 F.3d 1035 (8th Cir. 2000).

18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35