

## HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 639 (Formerly HF 240)	House Committee:	<b>PASSED</b> on February 25 (20-1)
Committee:	Judiciary	House Floor:	<b>PASSED</b> on March 26 (85-10)
Floor Manager:	Rep. Holt and Rep. Thomson	Senate Floor:	<b>PASSED</b> on May 12 (27-22)
Date:	May 21, 2025	Governor:	
Staff:	Amanda Wille (1-5230)		

### Pipeline Insurance, Common Carriers and the IUC

- Requires hazardous liquid pipelines to have insurance to cover potential damage, including enough coverage for losses including injury and property value reduction.
- If individuals face increased insurance, or are unable to get insurance, due to the pipeline, the pipeline owner must provide insurance or reimburse for the additional costs.

### Section by Section Analysis

#### Section 1- Hazardous Liquid Pipelines and Storage Facilities - Insurance Requirements for Permittee (479B.13A New Section)

Establishes new insurance requirements for applicants seeking a hazardous liquid pipeline permit. Before a permit can be granted by the Iowa Utilities Commission, the applicant must provide evidence of a surety or insurance policy that adequately covers potential damages resulting from the pipeline's construction and operation.

This coverage must include compensation for losses related to any negligent or intentional discharge from the pipeline, injuries or property value reductions due to construction or discharge incidents, and any increased insurance costs or difficulties in obtaining insurance for individuals affected by the pipeline.

If individuals face increased insurance premiums or are unable to secure insurance due to the pipeline's presence, the pipeline owner is required to either purchase insurance on their behalf or reimburse them for the additional costs.

Following bills added in to HF 639. Committee votes and dates noted.

#### HF 939- Common Carrier Definition -Judiciary (March 6, 20-1)

Defines a "common carrier" in the context of eminent domain law, specifying that it must be a commercial enterprise that transports goods or passengers for hire. For carriers transporting hazardous liquids, they must prove they are transporting commodities for unaffiliated shippers to qualify as common carriers. Increases the burden of proof for acquiring agencies seeking to use eminent domain for hazardous liquid pipelines, requiring them to demonstrate by clear and convincing evidence that the use meets the definitions of public use, public purpose, or public improvement. Additionally, it prohibits pipeline companies from exercising eminent domain

rights unless they qualify as common carriers. Takes effect immediately and applies to condemnation proceedings initiated after its enactment.

790- IUC Meeting Attendance- Judiciary (February 25, 21-0)

Mandates that all members of the utilities commission must be present during hearings related to public utility regulation, electric transmission lines, and pipelines. If any member is unavailable during a hearing, the session must pause until all members return. Additionally, at least one commission member must attend informational meetings regarding electric transmission line franchises and pipeline permits, with similar pausing requirements if no member is present.

HF 780- Pipeline Limits- Judiciary (February 25, 20-1)

Prohibits the Iowa Utilities Commission from renewing permits for pipelines that transport liquefied carbon dioxide and limits the operation of such pipelines to a maximum of 25 years. The bill amends existing law, which already restricts pipeline permits to a duration of 25 years, by adding the renewal prohibition specifically for liquefied carbon dioxide pipelines.

HF 944-Intervener- Judiciary (March 6, 20-1)

Allows certain individuals to intervene in proceedings conducted by the Iowa Utilities Commission. Specifically, it grants the right to intervene to members of the general assembly, elected county or city officials, and any resident who can demonstrate a minimally plausible interest in the proceeding.

HF 923- IUC Sanctions- Judiciary (March 6, 20-1)

The Iowa Utilities Commission cannot threaten or impose sanctions on intervenors in contested cases unless it determines that the intervenor was knowingly dishonest or violated a criminal statute, and that their actions caused actual, quantifiable injury to the commission exceeding \$500.

---

## **Amendment Analysis**