

**CHAPTER 312**

**APPROPRIATIONS FOR ENERGY CONSERVATION  
AND ENVIRONMENTAL PROTECTION**

*H.F. 789*

**AN ACT** relating to or making appropriations from the petroleum overcharge funds for purposes related to energy conservation.

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

Section 1. There is appropriated from those funds designated within the energy conservation trust created in section 93.11, to the energy and geological resources division of the department of natural resources for the fiscal biennium beginning July 1, 1989, and ending June 30, 1991, the following amounts, or so much thereof as is necessary, for disbursement under section 93.11 to the following agencies for the purposes designated:

1. To the division of community action agencies of the department of human rights for qualifying energy conservation programs for low-income persons, including but not limited to energy weatherization projects, which target the highest energy users, and including administrative costs, to be expended first from the balance of the Warner/Imperial fund, and the office of hearings and appeals second-stage settlement fund, and supplemented by the Exxon fund for a total appropriation not to exceed:

.....\$ 3,000,000

2. To the department of natural resources for the following purposes:

a. For deposit in the oil overcharge account of the groundwater protection fund created pursuant to section 455E.11, subsection 2, paragraph "e", and allocated as provided, from the Stripper Well fund:

.....\$ 3,300,000

b. For the state energy conservation program, from the Exxon fund:

.....\$ 118,500

c. For completion of the energy audits of public schools, from the Exxon fund:

.....\$ 300,000

d. For the energy extension service program, including \$70,000 to be used to match an equal amount of other public or private funds for the residential energy extension program at the Iowa state university of science and technology, from the Exxon fund:

.....\$ 119,700

e. For the development of a comprehensive energy management program for local governments, for the installation of cost-effective energy management improvements with matching moneys of \$550,000 from the energy research and development fund, from the Exxon fund:

.....\$ 200,000

f. For the use of the waste management authority in implementing a solid waste disposal grant program which reflects the groundwater protection Act's preferred option of reducing the volume of waste being landfilled by demonstrating composting technologies using biodegradable plastic bags and yard waste. The program shall establish a minimum of one project at a large solid waste disposal project and a minimum of two projects at small solid waste disposal projects from the Stripper Well fund:

.....\$ 200,000

g. For the implementation of a competitive grant program to provide weatherization assistance to low-income nonprofit housing organizations, from the Exxon fund:

.....\$ 300,000

h. For the implementation of a competitive grant program to provide weatherization assistance for energy conservation resources to group residences operated by nonprofit organizations serving low-income persons, from the Exxon fund:

..... \$ 200,000

*\*i. For the continuation of energy conservation measures to group residences operated by nonprofit organizations serving low-income persons and for the continuation of the partnership in low-income residential retrofit program, from the Exxon fund:*

..... \$ 103,000\*

j. For the establishment and implementation of not less than five model farm demonstration project areas, in geographically distinct portions of the state. The projects shall be located in southeast, south-central, southwest, northwest, and north-central portions of the state. The projects shall be designed to enhance the profitability and decrease the environmental impacts of row crop production, and to develop on-farm demonstration and education programs involving farms concentrated in a project area, such as the Big Spring demonstration project does in northeast Iowa. An advisory group shall assist the energy and geological resources division of the department of natural resources in the project design and implementation, with representation consisting of the directors of the soil conservation division of the department of agriculture and land stewardship, and the cooperative extension service. From the Stripper Well fund:

..... \$ 600,000

k. For the development of the energy planning data base aspects of the natural resource geographic information system required by section 455E.8, subsection 6, in conjunction with the department of transportation, from the Exxon and Stripper Well funds:

..... \$ 500,000

*\*Sec. 2. Of the \$1,000,000 appropriated to the department of natural resources for energy conservation grants and contracts to be used to fund cost-effective and environmentally sound energy conservation and renewable resource projects which meet the guidelines of one or more of the five energy programs specified in Pub. L. No. 97-377, § 155, 96 Stat. 1830, 1919 (1982), pursuant to 1987 Iowa Acts, chapter 230, section 1, from the Exxon account, \$103,000 shall revert to the energy conservation trust.\**

Sec. 3. There is appropriated an amount up to five percent, but not to exceed \$300,000, of the allowable petroleum overcharge money appropriated for the fiscal year beginning July 1, 1989, and ending June 30, 1990, to be used for administration of the petroleum overcharge programs.

Sec. 4. The energy fund disbursement council created in section 93.11, subsection 3, is authorized to extend reversion dates, if necessary, for prior appropriations of petroleum overcharge funds in Iowa Acts 1986 and 1987.

Sec. 5. Section 93.14, Code 1989, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** The energy fund disbursement council created in section 93.11, subsection 3, will oversee and approve the expenditure of funds in the energy research and development fund.

Sec. 6. 1986 Iowa Acts, chapter 1249, section 4, unnumbered paragraph 1, as amended by 1987 Iowa Acts, chapter 230, section 8, and 1988 Iowa Acts, chapter 1281, section 6, is amended to read as follows:

There is appropriated from the funds available in the energy conservation trust, established in section 93.11, for the fiscal period beginning July 1, 1986, and ending June 30, ~~1989~~ 1990,

\*Item veto; see message at end of the Act

to the energy and geological resources division of the department of natural resources for disbursement under section 93.11, the following amounts, or so much thereof as is necessary, to be used for the purposes designated consistent with the expressed legislative intent of this Act:

*Approved May 31, 1989, except the items which I hereby disapprove and which are designated as section 1, subsection 2, paragraph i, and section 2 in its entirety. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the secretary of the senate, this same date a copy of which is attached hereto.*

TERRY E. BRANSTAD, *Governor*

Dear Madam Secretary:

I hereby transmit House File 789, an Act relating to or making appropriations from the petroleum overcharge funds for purposes related to energy conservation.

House File 789 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 1, subsection 2, paragraph i; and Section 2, in its entirety. These provisions in House File 789 first deappropriate \$103,000 from the highly successful partnership in low-income residential retrofit program and then reappropriate it to the same program. This inconsistency was apparently inadvertent and legislators we have consulted with have requested this item veto to avoid causing confusion in the operation of the retrofit program. My disapproval of both of these sections will allow the current low-income retrofit program to continue without interruption.

House File 789 continues several very worthwhile energy conservation programs and provides important funding for at least five model farm demonstration projects similar to the Big Spring project in Northeast Iowa. These projects will give Iowans from throughout the state an opportunity to examine the effect of fertilizers, pesticides and insecticides on the quality of our groundwater. These projects will also help document the importance of improved management of the application of these chemicals on our water quality.

Another important provision in House File 789 appropriates \$200,000 for a solid waste grant program to demonstrate composting technologies using biodegradable plastic bags and yard waste. At least one project at a large solid waste disposal project and at least two projects at small solid waste disposal projects are to be funded. This research is a positive step toward enhancing the use of biodegradable plastic products as part of our solid waste control strategy.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 789 are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD, *Governor*