	Withd	rawn 4/22/03				
		AGRI	AGRICULTURE			
		FILE	FILED FEB 1 3 '03			
		SENATE FILE	1			
		BY SIEVERS				
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Passed Senate,	Date	Passed House, Da	ate			
Vote: Ayes	Nays	Vote: Ayes	Nays			
Ar	proved					

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A BILL FOR

1	An	Act providing for the administration of funds for animal	
2		agriculture, including moneys transferred from and deposited	
3		into these funds, and providing an effective date.	
4	BE	IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:	
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Withdrawn 4/22/03

AGRICULTURE FILED FEB 13 '03 SENATE FILE

BY SIEVERS

Passed	Senate,	Date	Passe	d House,	Date	· .
Vote:	Ayes	Nays	Vote:	Ayes	Nays	
	App	proved				

A BILL FOR

1 An Act providing for the administration of funds for animal agriculture, including moneys transferred from and deposited into these funds, and providing an effective date. 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

> TLSB 2192XS 80 da/pj/5

SF 147 AGRICULTURE

s.f. 147 H.F.

Section 1. Section 459.102, subsection 26, Code 2003, is
amended to read as follows:

3 26. "Indemnity fee" means the <u>a</u> fee provided in section 4 459.502 or 459.503.

5 Sec. 2. Section 459.501, subsection 2, Code 2003, is 6 amended to read as follow:

The fund consists of moneys from indemnity fees 7 2. 8 remitted by permittees to the department as provided in 9 section 459.502; moneys from indemnity fees remitted by 10 persons required to submit manure management plans to the 11 department pursuant to section 459.503; sums collected on 12 behalf of the fund by the department through legal action or 13 settlement; moneys required to be repaid to the department by 14 a county pursuant to this subchapter; civil-penalties-assessed 15 and-collected-by-the-department-or-the-attorney-general 16 pursuant-to-chapter-455B7-against-animal-feeding-operations; 17 moneys-paid-as-a-settlement-involving-an-enforcement-action 18 for-a-civil-penalty-subject-to-assessment-and-collection 19 against-permittees-by-the-department-or-the-attorney-general 20 pursuant-to-chapter-455B; interest, property, and securities 21 acquired through the use of moneys in the fund; or moneys 22 contributed to the fund from other sources.

23 Sec. 3. Section 459.501, subsection 5, paragraph a, Code 24 2003, is amended by striking the paragraph.

25 Sec. 4. <u>NEW SECTION</u>. 459.503A INDEMNITY FEE -- WAIVER 26 AND REINSTATEMENT.

The indemnity fee required under sections 459.502 and 459.503 shall be waived and the fee shall not be assessable or owing if at the end of any three-month period, unobligated and unencumbered moneys in the manure storage indemnity fund, not counting the department's estimate of the cost to the fund for pending or unsettled claims, exceed three million dollars. The department shall reinstate the indemnity fee under those sections if unobligated and unencumbered moneys in the fund, not counting the department's estimate of the cost to the fund,

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1 for pending or unsettled claims, are less than two million 2 dollars.

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TRANSFER OF MONEYS FROM THE MANURE STORAGE 3 Sec. 5. 4 INDEMNITY FUND. Notwithstanding 2002 Iowa Acts, chapter 1137, 5 section 59, the department shall not transfer any amount of 6 the balance of the manure storage indemnity fund to the animal 7 agriculture compliance fund on or after the effective date of 8 this Act. The department shall return any amount already 9 transferred in accordance with the schedule established by the 10 department pursuant to 2002 Iowa Acts, chapter 1137, section 11 59.

12 EFFECTIVE DATE. This Act, being deemed of Sec. 6. 13 immediate importance, takes effect upon enactment. 14

EXPLANATION

15 GENERAL. This bill amends provisions in Code chapter 459 16 regulating confinement feeding operations including provisions 17 establishing a manure storage indemnity fund administered by 18 the department of natural resources. The bill eliminates the 19 department's authority to transfer moneys from the fund for 20 placement in an animal agriculture compliance fund and 21 provides for the waiver of fees deposited into the fund. MANURE STORAGE INDEMNITY FUND. Under Code section 459.506, 22 23 moneys in the manure storage indemnity fund are dedicated for 24 the purpose of reimbursing expenses incurred by a county or 25 the department in cleaning up contamination which originates 26 from a confinement feeding operation. The fund contains 27 moneys from a number of sources, including a one-time variable 28 rate fee imposed on persons obtaining a permit to construct a 29 confinement feeding operation structure and a fee for 30 submitting an original manure management plan.

31 ANIMAL AGRICULTURE COMPLIANCE FUND. This fund established 32 by S.F. 2293 during the 2002 legislative session provides a 33 funding source for the administration and enforcement of 34 provisions regulating animal feeding operations under new Code 35 chapter 459. A number of fees are deposited into the fund,

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1 including a variable annual compliance fee paid by owners of 2 confinement feeding operations required to submit updated 3 manure management plans, and a number of one-time filing fees 4 such as a construction permit application filing fee and an 5 original manure management plan fee.

6 TRANSFER OF MONEYS. Since S.F. 2293 provides that the 7 annual compliance fees required to be deposited into the new 8 animal agriculture compliance fund is effective on and after 9 March 1, 2003, S.F. 2293 authorized the department to 10 temporarily transfer moneys from the manure storage indemnity 11 fund into the general account of the animal agriculture 12 compliance fund. The department must return the amount 13 transferred according to a schedule established by the 14 department. The bill prohibits the department from 15 transferring any amount of the balance of the manure storage 16 indemnity fund to the animal agriculture compliance fund on or 17 after the effective date of the bill.

18 DEPOSIT OF MONEYS. The bill eliminates an obsolete 19 provision which provides for the deposit of moneys collected 20 through enforcement actions. Such moneys are deposited into 21 the animal agriculture compliance fund pursuant to Code 22 section 459.401. The bill eliminates a provision in Code 23 section 459.501 that requires that moneys in the fund in 24 excess of \$3 million be deposited in the organic nutrient 25 management fund created in Code section 161C.5 for purposes of 26 supporting an organic nutrient management program. The bill 27 also provides that if moneys in the fund exceed \$3 million the 28 indemnity fees are waived. The department must reinstate the 29 fees if the balance of the fund is \$2 million or less. 30 EFFECTIVE DATE. The bill takes effect upon enactment. 31

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