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FILED MAY 05 1987

SENATE FILE 517
BY COMMITTEE ON APPROPRIATIONS

Passed Senate, Date 5/5/87 (p. 1708) Passed House, Date 5/6/87 (p. 2088)
Vote: Ayes 46 Nays 0 Vote: Ayes 93 Nays 0
Approved June 6, 1987

A BILL FOR

1 An Act appropriating petroleum overcharge funds.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
SENATE FILE 517

S-3999

- 1 Amend Senate File 517 as follows:
- 2 1. Page 1, by inserting after line 35 the
- 3 following:
- 4 "4. There is appropriated from the petroleum
- 5 overcharge fund in section 93.15 to the department of
- 6 general services the sum of fifty thousand (50,000)
- 7 dollars, or so much thereof as is necessary, from the
- 8 funds received from the Stripper Wells settlement for
- 9 energy conservation improvements at Terrace Hill for
- 10 the fiscal year beginning July 1, 1987 and ending June
- 11 30, 1988."
- 12 2. Page 2, lines 21 and 22, by striking the word
- 13 and figure "and 5" and inserting the following: "5,
- 14 and 6".
- 15 3. Renumber as necessary.

S-3999

Filed May 5, 1987
ADOPTED (p. 3999)

BY JOHN W. JENSEN
WILLIAM W. DIELEMAN

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1 Section 1. PETROLEUM OVERCHARGE APPROPRIATION.

2 1. There is appropriated from the petroleum overcharge
3 fund of section 93.15 to the state board of regents the amount
4 of three million (3,000,000) dollars, or so much thereof as is
5 necessary, from the funds received from the Stripper Wells
6 settlement for energy conservation improvements at the
7 University of Northern Iowa, including the installation of a
8 new, more efficient boiler. The funds appropriated by this
9 section are appropriated for the fiscal year beginning July 1,
10 1987 and ending June 30, 1988. The state board of regents is
11 authorized to enter into contracts for the purpose of
12 commencing construction of the boiler project. It is the
13 intent of the general assembly to fund the balance of the ten
14 million one hundred thousand (10,100,000) dollar boiler
15 project through other appropriations or through authorizing
16 additional academic building revenue bonds.

17 2. There is appropriated from the petroleum overcharge
18 fund in section 93.15 to the state board of regents thirty
19 thousand (30,000) dollars, or so much thereof as may be
20 necessary, from the funds received from the Stripper Wells
21 settlement for research by the Iowa State University of
22 science and technology center for industrial research and
23 service on establishing a waste stream for used motor oil,
24 investigating alternative disposal methods, and coordinating
25 with other states' research projects on used motor oil
26 collection and disposal.

27 3. There is appropriated from the petroleum overcharge
28 fund in section 93.15 to the state department of
29 transportation one million five hundred thousand (1,500,000)
30 dollars, or so much thereof as may be necessary, from the
31 funds received from the Stripper Wells settlement for the
32 purpose of energy conservation projects.

33 Notwithstanding section 8.33, funds appropriated by this
34 subsection shall not revert and shall continue until the
35 completion of the projects.

1 4. Notwithstanding the provisions of section 93.11, there
2 is appropriated from the funds from the federal court decision
3 involving Exxon Corporation in the energy conservation trust
4 fund to the state department of transportation the amount of
5 seven hundred fifty thousand (750,000) dollars, or so much
6 thereof as may be necessary, for the fiscal year beginning
7 July 1, 1987 and ending June 30, 1988 for grants and loans for
8 one or more pilot projects of intermodal transportation
9 facilities, including ports, terminals, transfer facilities
10 and freight distribution centers.

11 5. Notwithstanding the provisions of section 93.11, there
12 is appropriated from the funds received from the federal court
13 decision involving Exxon Corporation in the energy
14 conservation trust fund to the department of economic
15 development for the Iowa main street program the amount of one
16 hundred twenty-five thousand (125,000) dollars, or so much
17 thereof as may be necessary, for the fiscal year beginning
18 July 1, 1987 and ending June 30, 1988.

19 Sec. 2. Notwithstanding section 4.8, the appropriations of
20 petroleum overcharge funds from the funds created in sections
21 93.11 and 93.15 made by section 1, subsections 1, 2, 3, 4, and
22 5 of this Act shall prevail over any other appropriation of
23 those funds made by the 1987 session of the Seventy-second
24 General Assembly. If the total appropriations from any of
25 those funds made by the 1987 session of the Seventy-second
26 General Assembly exceed the funds available, the
27 appropriations made by this Act shall remain intact and the
28 other appropriations shall be abated proportionately to the
29 level of the funds available.

30 EXPLANATION

31 This bill appropriates petroleum overcharge funds to the
32 departments of transportation and economic development and the
33 state board of regents.

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1 Section 1. PETROLEUM OVERCHARGE APPROPRIATION.

2 1. There is appropriated from the petroleum overcharge
3 fund of section 93.15 to the state board of regents the amount
4 of three million (3,000,000) dollars, or so much thereof as is
5 necessary, from the funds received from the Stripper Wells
6 settlement for energy conservation improvements at the
7 University of Northern Iowa, including the installation of a
8 new, more efficient boiler. The funds appropriated by this
9 section are appropriated for the fiscal year beginning July 1,
10 1987 and ending June 30, 1988. The state board of regents is
11 authorized to enter into contracts for the purpose of
12 commencing construction of the boiler project. It is the
13 intent of the general assembly to fund the balance of the ten
14 million one hundred thousand (10,100,000) dollar boiler
15 project through other appropriations or through authorizing
16 additional academic building revenue bonds.

17 2. There is appropriated from the petroleum overcharge
18 fund in section 93.15 to the state board of regents thirty
19 thousand (30,000) dollars, or so much thereof as may be
20 necessary, from the funds received from the Stripper Wells
21 settlement for research by the Iowa State University of
22 science and technology center for industrial research and
23 service on establishing a waste stream for used motor oil,
24 investigating alternative disposal methods, and coordinating
25 with other states' research projects on used motor oil
26 collection and disposal.

27 3. There is appropriated from the petroleum overcharge
28 fund in section 93.15 to the state department of
29 transportation one million five hundred thousand (1,500,000)
30 dollars, or so much thereof as may be necessary, from the
31 funds received from the Stripper Wells settlement for the
32 purpose of energy conservation projects.

33 Notwithstanding section 8.33, funds appropriated by this
34 subsection shall not revert and shall continue until the
35 completion of the projects.

1 4. There is appropriated from the petroleum overcharge
2 fund in section 93.15 to the department of general services
3 the sum of fifty thousand (50,000) dollars, or so much thereof
4 as is necessary, from the funds received from the Stripper
5 Wells settlement for energy conservation improvements at
6 Terrace Hill for the fiscal year beginning July 1, 1987 and
7 ending June 30, 1988.

8 5. Notwithstanding the provisions of section 93.11, there
9 is appropriated from the funds from the federal court decision
10 involving Exxon Corporation in the energy conservation trust
11 fund to the state department of transportation the amount of
12 seven hundred fifty thousand (750,000) dollars, or so much
13 thereof as may be necessary, for the fiscal year beginning
14 July 1, 1987 and ending June 30, 1988 for grants and loans for
15 one or more pilot projects of intermodal transportation
16 facilities, including ports, terminals, transfer facilities
17 and freight distribution centers.

18 6. Notwithstanding the provisions of section 93.11, there
19 is appropriated from the funds received from the federal court
20 decision involving Exxon Corporation in the energy
21 conservation trust fund to the department of economic
22 development for the Iowa main street program the amount of one
23 hundred twenty-five thousand (125,000) dollars, or so much
24 thereof as may be necessary, for the fiscal year beginning
25 July 1, 1987 and ending June 30, 1988.

26 Sec. 2. Notwithstanding section 4.8, the appropriations of
27 petroleum overcharge funds from the funds created in sections
28 93.11 and 93.15 made by section 1, subsections 1, 2, 3, 4, 5,
29 and 6 of this Act shall prevail over any other appropriation
30 of those funds made by the 1987 session of the Seventy-second
31 General Assembly. If the total appropriations from any of
32 those funds made by the 1987 session of the Seventy-second
33 General Assembly exceed the funds available, the
34 appropriations made by this Act shall remain intact and the
35 other appropriations shall be abated proportionately to the

1 level of the funds available.

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SENATE FILE 517

H-4243

1 Amend Senate File 517, as amended, passed, and re-
2 printed by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. There is appropriated for the fiscal
6 year beginning July 1, 1987 and ending June 30, 1989,
7 the following amounts, or so much thereof as is
8 necessary, from the funds in the Exxon and Stripper
9 Well accounts in the energy conservation trust fund
10 created in section 93.11, as indicated, to the energy
11 and geological resources division of the department of
12 natural resources for disbursement under section 93.11
13 to the following agencies for the purposes designated:

14 Exxon Stripper Wells

15 1. To the division of
16 community action agencies
17 of the department of human
18 rights for qualifying energy
19 conservation programs for
20 low-income persons, including
21 but not limited to energy
22 weatherization projects, and
23 including administrative

24 costs \$ 175,000 \$

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

28 a. For deposit in the
29 energy bank for schools and
30 merged area schools created
31 in 360 Iowa administrative code,
32 rule 6.5 \$ \$ 500,000

33 b. An independent study
34 evaluating federal weather-
35 ization due July 1, 1988 \$ 75,000 \$

36 c. For energy conservation
37 efforts by low-income nonprofit
38 housing organizations \$ \$ 500,000

39 d. For a competitive grant
40 program administered by the
41 energy fund disbursement
42 council with the following
43 funds to be transferred to the
44 designated agencies for the
45 indicated purposes:

46 (1) To the department of
47 natural resources in cooperation
48 with the department of economic
49 development to provide venture
50 capital to new businesses

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Page Two

1 in Iowa whose products or services
2 are directly related to energy
3 conservation \$ 500,000
4 (2) To the department of
5 natural resources for energy
6 conservation grants and contracts
7 to be used to fund cost-effective
8 and environmentally sound energy
9 conservation and renewable
10 resource projects which meet the
11 guidelines of one or more of the
12 five energy programs specified in
13 Pub. L. No. 97-377, § 155, 96
14 Stat. 1830, 1919 (1982) \$ 1,000,000 \$
15 e. For the administration
16 of the programs funded by
17 this subsection, except
18 paragraph "f" \$ 200,000 \$
19 f. For deposit in the
20 oil overcharge account of
21 the groundwater protection
22 fund created by House File
23 631, 1987 Iowa Acts, and
24 allocated as provided in
25 that Act \$ 2,000,000 \$ 3,530,000
26 3. To the state depart-
27 ment of transportation for
28 the following purposes:
29 a. For energy conserva-
30 tion loans, grants, or ex-
31 penditures to aid mass
32 transit, to be distributed
33 according to the existing
34 department of transporta-
35 tion formula and targeted
36 for low-income Iowans \$ 1,700,000 \$
37 b. For grants and loans
38 for one or more pilot proj-
39 ects of intermodal trans-
40 portation facilities, in-
41 cluding ports, terminals,
42 transfer facilities and
43 freight distribution centers ... \$ 750,000 \$
44 c. For energy con-
45 servation projects \$ 1,500,000 \$
46 4. To the state board of
47 regents for research by the
48 Iowa State University of
49 science and technology cen-
50 ter for industrial research

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Page Three

and service on establishing
 2 a waste stream for used
 3 motor oil, investigating
 4 alternative disposal methods,
 5 and coordinating with other
 6 states' research projects
 7 on used motor oil collec-
 8 tion and disposal \$ \$ 30,000
 9 5. To the department
 10 of economic development for
 11 the Iowa main street \$ 125,000 \$
 12 6. To the department of
 13 general services for energy
 14 conservation improvements
 15 at Terrace Hill \$ \$ 50,000
 16 Sec. 2.

17 1. It is a condition of the funds appropriated by
 18 section 1, subsection 1, paragraph "a", of this Act
 19 that the department of human rights adopt rules to
 20 provide that rents shall not be raised because of the
 21 increased value of dwelling units due solely to
 22 weatherization assistance provided under that
 23 paragraph.

24 2. Notwithstanding section 8.33, the funds
 25 appropriated by section 1, subsection 3, paragraph "c"
 26 shall not revert and shall continue until the
 27 completion of the projects.

28 3. If an appropriation made by section 1 from the
 29 Stripper Wells account of the energy conservation
 30 trust fund is eligible to be made in whole or in part
 31 from the Exxon account, then, to the extent of that
 32 eligibility, that appropriation shall be made from the
 33 Exxon account instead of the Stripper Wells account.

34 Sec. 3. There is appropriated to the designated
 35 agencies from the Amoco/Beldridge/Nordstrom account,
 36 Amoco Refined account, OKC & Coline account, and the
 37 Exxon account in the energy conservation trust fund
 38 created in section 93.11 for the fiscal year beginning
 39 July 1, 1987 and ending July 1, 1988 the following
 40 amounts, or so much thereof as is necessary to
 41 maintain the funding level for each of the following
 42 programs at the level of the preceding fiscal year, to
 43 supplement federal funds for the following programs:

44 1. To the department of
 45 human rights for low-income
 46 weatherization program \$ 936,934
 47 2. To the department of
 48 natural resources for:
 49 a. Institutional conser-
 50 vation program \$ 270,702

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Page Four

1	b. State energy conservation		
2	program	\$	118,500
3	c. Energy extension service		
4	program	\$	49,700

5 All the funds in the Amoco/Beldridge/Nordstrom
6 account, Amoco Refined account, and OKC & Coline
7 account shall be appropriated by this section before
8 the funds in the Exxon account are appropriated by
9 this section.

10 Sec. 4. The state agencies appropriated and
11 disbursed funds under section 1 of this Act shall
12 adopt rules under chapter 17A to establish and
13 implement the programs funded by this Act.

14 Sec. 5. Section 93.11, subsections 1 and 4, Code
15 1987, are amended by striking the subsections and
16 inserting in lieu thereof the following:

17 1. a. The energy conservation trust fund is
18 created within the state treasury. This state on
19 behalf of itself, its citizens, and its political
20 subdivisions accepts any moneys awarded or allocated
21 to the state, its citizens, and its political
22 subdivisions as a result of the federal court
23 decisions and federal department of energy settlements
24 resulting from alleged violations of federal petroleum
25 pricing regulations and deposits the moneys in the
26 energy conservation trust fund.

27 b. The energy conservation trust fund is
28 established to provide for an orderly, efficient, and
29 effective mechanism to make maximum use of moneys
30 available to the state, in order to increase energy
31 conservation efforts and thereby to save the citizens
32 of this state energy expenditures. The moneys in the
33 accounts in the fund shall be expended only upon
34 appropriation by the general assembly and only for
35 programs which will benefit citizens who may have
36 suffered economic penalties resulting from the alleged
37 petroleum overcharges.

38 c. The moneys awarded or allocated from each court
39 decision or settlement shall be placed in a separate
40 account in the energy conservation trust fund.
41 Notwithstanding section 453.7, interest and earnings
42 on investments from moneys in the fund shall be
43 credited proportionately to the accounts in the fund.

44 d. Unless prohibited by the conditions applying to
45 an account, the moneys in the energy conservation
46 trust fund may be used for the payment of attorney
47 fees and expenses incurred by the state to obtain the
48 moneys and shall be paid by the director of revenue
49 and finance from the available moneys in the fund
50 subject to the approval of the attorney general.

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Page Five

e. However, petroleum overcharge funds received pursuant to claims filed on behalf of the state, its institutions, departments, agencies, or political subdivisions shall be deposited in the general fund of the state to be disbursed directly to the appropriate claimants in accordance with federal guidelines and subject to the approval of the attorney general.

4. The administrator of the energy and geological resources division of the department of natural resources shall be the administrator of the energy conservation trust fund. The administrator shall disburse moneys appropriated by the general assembly from the accounts in the fund in accordance with the federal court orders, law and regulation, or settlement conditions applying to the moneys in that account, and subject to the approval of the energy fund disbursement council if such approval is required. The council, after consultation with the attorney general, shall immediately approve the disbursement of moneys from the account in the fund for projects which meet the federal court orders, law and regulations, or settlement conditions which apply to that account.

Sec. 6. Section 93.11, subsection 3, unnumbered paragraph 1, Code 1987, is amended to read as follows:

An energy fund disbursement council is established. The council shall be composed of the governor or the governor's designee, the director of the department of management, who shall serve as the council's chairperson, the administrator of the division of community action agencies of the department of human rights, the administrator of the energy and geological resources division of the department of natural resources, and a designee of the director of the department of transportation, who is knowledgeable in the field of energy conservation. The council shall include as nonvoting members two members of the senate appointed by the majority leader of the senate and two members of the house of representatives appointed by the speaker of the house. The legislative members shall be appointed upon the convening and for the period of each general assembly. Not more than one member from each house shall be of the same political party. The council shall be staffed by the energy and geological resources division of the department of natural resources. The attorney general shall provide legal assistance to the council.

Sec. 7. Section 93.11, Code 1987, is amended by adding the following new subsections:

NEW SUBSECTION. 5. The following accounts are

- 1 established in the energy conservation trust fund:
- 2 a. The Warner/Imperial account.
- 3 b. The Amoco/Beldridge/Nordstrom account.
- 4 c. The Exxon account.
- 5 d. The Stripper Wells account.
- 6 e. The Diamond Shamrock account.
- 7 f. The Amoco Refined account.
- 8 g. The OKC & Coline account.
- 9 h. The other funds account.

10 NEW SUBSECTION. 6. The moneys in the account in
 11 the energy conservation trust fund distributed to the
 12 state as a result of the 1985 federal court decision
 13 finding Exxon corporation in violation of federal
 14 petroleum pricing regulations shall be expended, to
 15 the extent possible, over a period of no more than six
 16 years and shall be disbursed for projects which meet
 17 the strict guidelines of the five existing federal
 18 energy conservation programs specified in Pub. L. No.
 19 97-377, § 155, 96 Stat. 1830, 1919 (1982). The
 20 council shall approve the disbursement of moneys from
 21 the account in the fund for other projects only if the
 22 project meets one or more of the following conditions:
 23 a. The projects meet the guidelines for allowable
 24 projects under a modification order entered by the
 25 federal court in the case involving Exxon corporation.
 26 b. The projects meet the guidelines for allowable
 27 projects under a directive order entered by the
 28 federal court in the case involving Exxon corporation.
 29 c. The projects meet the guidelines for allowable
 30 projects under the regulations adopted or written
 31 clarifications issued by the United States department
 32 of energy.

33 Sec. 8. 1986 Iowa Acts, chapter 1249, section 4,
 34 unnumbered paragraph 1, is amended to read as follows:

35 There is appropriated from the funds available in
 36 the energy conservation trust fund, established in
 37 section 93.11, for the fiscal year period beginning
 38 July 1, 1986, and ending June 30, ~~1987~~ 1988, to the
 39 energy and geological resources division of the
 40 department of natural resources for disbursement under
 41 section 93.11, the following amounts, or so much
 42 thereof as is necessary, to be used for the purposes
 43 designated consistent with the expressed legislative
 44 intent of this Act:

45 Sec. 9. The treasurer of state shall transfer and
 46 deposit funds in the petroleum overcharge fund created
 47 by section 93.15 into the appropriate accounts in the
 48 energy conservation trust fund created by section
 49 93.11. Any appropriation of the funds in the
 50 petroleum overcharge fund shall follow and apply to

- 1 the funds in the energy conservation trust fund.
- 2 Sec. 10. Section 93.15, Code 1987, is repealed."
- 3 2. Title page, line 1, by inserting after the
- 4 word "Act" the words "relating to and".

SENATE FILE 517

H-4245

- 1 Amend the Committee amendment, H-4243, to Senate
- 2 File 517 as amended, passed, and reprinted by the
- 3 Senate as follows:
- 4 1. Page 1, line 31, by striking the figure "360"
- 5 and inserting the following: "565".
- 6 2. Page 3, line 18, by striking the words
- 7 "paragraph "a",".

H-4245 FILED MAY 6, 1987
ADOPTED (p. 2087)

BY JOCHUM of Dubuque

SENATE FILE 517

H-4255

- 1 Amend the amendment, H-4243, to Senate File 517, as
- 2 amended, passed, and reprinted by the Senate as
- 3 follows:
- 4 1. Page 1, by striking lines 36 through 38.
- 5 2. Page 2, by striking lines 4 through 14.
- 6 3. Page 2, by striking lines 37 through 43.
- 7 4. Page 3, line 37, by inserting after the word
- 8 "account" the following: "and for subsection 1 the
- 9 Stripper Wells account".
- 10 5. Page 3, by striking line 46 and inserting the
- 11 following:
- 12 "weatherization program \$ 3,186,934
- 13 Five hundred thousand (500,000) dollars of the
- 14 funds appropriated by this subsection shall be from
- 15 the Stripper Wells account."
- 16 6. Renumber as necessary.

H-4255 FILED MAY 6, 1987
LOST (p. 2088)

BY VAN CAMP of Scott

May 8, 1987

HOUSE AMENDMENT TO
SENATE FILE 517

S-4034

1 Amend Senate File 517, as amended, passed, and re-
2 printed by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. There is appropriated for the fiscal
6 year beginning July 1, 1987 and ending June 30, 1989,
7 the following amounts, or so much thereof as is
8 necessary, from the funds in the Exxon and Stripper
9 Well accounts in the energy conservation trust fund
10 created in section 93.11, as indicated, to the energy
11 and geological resources division of the department of
12 natural resources for disbursement under section 93.11
13 to the following agencies for the purposes designated:

	Exxon	Stripper Wells
14 1. To the division of		
15 community action agencies		
16 of the department of human		
17 rights for qualifying energy		
18 conservation programs for		
19 low-income persons, including		
20 but not limited to energy		
21 weatherization projects, and		
22 including administrative		
23 costs	\$ 175,000	\$
24 2. To the department of		
25 natural resources for the		
26 following purposes:		
27 a. For deposit in the		
28 energy bank for schools and		
29 merged area schools created		
30 in 565 Iowa administrative code,		
31 rule 6.5	\$	\$ 500,000
32 b. An independent study		
33 evaluating federal weather-		
34 ization due July 1, 1988	\$ 75,000	\$
35 c. For energy conservation		
36 efforts by low-income nonprofit		
37 housing organizations	\$	\$ 500,000
38 d. For a competitive grant		
39 program administered by the		
40 energy fund disbursement		
41 council with the following		
42 funds to be transferred to the		
43 designated agencies for the		
44 indicated purposes:		
45 (1) To the department of		
46 natural resources in cooperation		
47 with the department of economic		
48 development to provide venture		
49 capital to new businesses		
50		

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1 in Iowa whose products or services			
2 are directly related to energy			
3 conservation	\$		500,000
4 (2) To the department of			
5 natural resources for energy			
6 conservation grants and contracts			
7 to be used to fund cost-effective			
8 and environmentally sound energy			
9 conservation and renewable			
10 resource projects which meet the			
11 guidelines of one or more of the			
12 five energy programs specified in			
13 Pub. L. No. 97-377, § 155, 96			
14 Stat. 1830, 1919 (1982)	\$	1,000,000	\$
15 e. For the administration			
16 of the programs funded by			
17 this subsection, except			
18 paragraph "f"	\$		200,000
19 f. For deposit in the			
20 oil overcharge account of			
21 the groundwater protection			
22 fund created by House File			
23 631, 1987 Iowa Acts, and			
24 allocated as provided in			
25 that Act	\$	2,000,000	\$ 3,530,000
26 3. To the state depart-			
27 ment of transportation for			
28 the following purposes:			
29 a. For energy conserva-			
30 tion loans, grants, or ex-			
31 penditures to aid mass			
32 transit, to be distributed			
33 according to the existing			
34 department of transporta-			
35 tion formula and targeted			
36 for low-income Iowans	\$		1,700,000
37 b. For grants and loans			
38 for one or more pilot proj-			
39 ects of intermodal trans-			
40 portation facilities, in-			
41 cluding ports, terminals,			
42 transfer facilities and			
43 freight distribution centers ...	\$	750,000	\$
44 c. For energy con-			
45 servation projects	\$		1,500,000
46 4. To the state board of			
47 regents for research by the			
48 Iowa State University of			
49 science and technology cen-			
50 ter for industrial research			

1 and service on establishing
 2 a waste stream for used
 3 motor oil, investigating
 4 alternative disposal methods,
 5 and coordinating with other
 6 states' research projects
 7 on used motor oil collec-
 8 tion and disposal \$ \$ 30,000

9 5. To the department
 10 of economic development for
 11 the Iowa main street \$ 125,000 \$

12 6. To the department of
 13 general services for energy
 14 conservation improvements
 15 at Terrace Hill \$ \$ 50,000

16 Sec. 2.

17 1. It is a condition of the funds appropriated by
 18 section 1, subsection 1, of this Act that the
 19 department of human rights adopt rules to provide that
 20 rents shall not be raised because of the increased
 21 value of dwelling units due solely to weatherization
 22 assistance provided under that paragraph.

23 2. Notwithstanding section 8.33, the funds
 24 appropriated by section 1, subsection 3, paragraph "c"
 25 shall not revert and shall continue until the
 26 completion of the projects.

27 3. If an appropriation made by section 1 from the
 28 Stripper Wells account of the energy conservation
 29 trust fund is eligible to be made in whole or in part
 30 from the Exxon account, then, to the extent of that
 31 eligibility, that appropriation shall be made from the
 32 Exxon account instead of the Stripper Wells account.

33 Sec. 3. There is appropriated to the designated
 34 agencies from the Amoco/Beldridge/Nordstrom account,
 35 Amoco Refined account, OKC & Coline account, and the
 36 Exxon account in the energy conservation trust fund
 37 created in section 93.11 for the fiscal year beginning
 38 July 1, 1987 and ending July 1, 1988 the following
 39 amounts, or so much thereof as is necessary to
 40 maintain the funding level for each of the following
 41 programs at the level of the preceding fiscal year, to
 42 supplement federal funds for the following programs:

43 1. To the department of
 44 human rights for low-income
 45 weatherization program \$ 936,934

46 2. To the department of
 47 natural resources for:
 48 a. Institutional conser-
 49 vation program \$ 270,702

50 b. State energy conservation

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1 program	\$	118,500
2 c. Energy extension service		
3 program	\$	49,700

4 All the funds in the Amoco/Beldridge/Nordstrom
5 account, Amoco Refined account, and OKC & Coline
6 account shall be appropriated by this section before
7 the funds in the Exxon account are appropriated by
8 this section.

9 Sec. 4. The state agencies appropriated and
10 disbursed funds under section 1 of this Act shall
11 adopt rules under chapter 17A to establish and
12 implement the programs funded by this Act.

13 Sec. 5. Section 93.11, subsections 1 and 4, Code
14 1987, are amended by striking the subsections and
15 inserting in lieu thereof the following:

16 1. a. The energy conservation trust fund is
17 created within the state treasury. This state on
18 behalf of itself, its citizens, and its political
19 subdivisions accepts any moneys awarded or allocated
20 to the state, its citizens, and its political
21 subdivisions as a result of the federal court
22 decisions and federal department of energy settlements
23 resulting from alleged violations of federal petroleum
24 pricing regulations and deposits the moneys in the
25 energy conservation trust fund.

26 b. The energy conservation trust fund is
27 established to provide for an orderly, efficient, and
28 effective mechanism to make maximum use of moneys
29 available to the state, in order to increase energy
30 conservation efforts and thereby to save the citizens
31 of this state energy expenditures. The moneys in the
32 accounts in the fund shall be expended only upon
33 appropriation by the general assembly and only for
34 programs which will benefit citizens who may have
35 suffered economic penalties resulting from the alleged
36 petroleum overcharges.

37 c. The moneys awarded or allocated from each court
38 decision or settlement shall be placed in a separate
39 account in the energy conservation trust fund.
40 Notwithstanding section 453.7, interest and earnings
41 on investments from moneys in the fund shall be
42 credited proportionately to the accounts in the fund.

43 d. Unless prohibited by the conditions applying to
44 an account, the moneys in the energy conservation
45 trust fund may be used for the payment of attorney
46 fees and expenses incurred by the state to obtain the
47 moneys and shall be paid by the director of revenue
48 and finance from the available moneys in the fund
49 subject to the approval of the attorney general.

50 e. However, petroleum overcharge funds received

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1 pursuant to claims filed on behalf of the state, its
2 institutions, departments, agencies, or political
3 subdivisions shall be deposited in the general fund of
4 the state to be disbursed directly to the appropriate
5 claimants in accordance with federal guidelines and
6 subject to the approval of the attorney general.

7 4. The administrator of the energy and geological
8 resources division of the department of natural
9 resources shall be the administrator of the energy
10 conservation trust fund. The administrator shall
11 disburse moneys appropriated by the general assembly
12 from the accounts in the fund in accordance with the
13 federal court orders, law and regulation, or
14 settlement conditions applying to the moneys in that
15 account, and subject to the approval of the energy
16 fund disbursement council if such approval is
17 required. The council, after consultation with the
18 attorney general, shall immediately approve the
19 disbursement of moneys from the account in the fund
20 for projects which meet the federal court orders, law
21 and regulations, or settlement conditions which apply
22 to that account.

23 Sec. 6. Section 93.11, subsection 3, unnumbered
24 paragraph 1, Code 1987, is amended to read as follows:

25 An energy fund disbursement council is established.
26 The council shall be composed of the governor or the
27 governor's designee, the director of the department of
28 management, who shall serve as the council's
29 chairperson, the administrator of the division of
30 community action agencies of the department of human
31 rights, the administrator of the energy and geological
32 resources division of the department of natural
33 resources, and a designee of the director of the
34 department of transportation, who is knowledgeable in
35 the field of energy conservation. The council shall
36 include as nonvoting members two members of the senate
37 appointed by the majority leader of the senate and two
38 members of the house of representatives appointed by
39 the speaker of the house. The legislative members
40 shall be appointed upon the convening and for the
41 period of each general assembly. Not more than one
42 member from each house shall be of the same political
43 party. The council shall be staffed by the energy and
44 geological resources division of the department of
45 natural resources. The attorney general shall provide
46 legal assistance to the council.

47 Sec. 7. Section 93.11, Code 1987, is amended by
48 adding the following new subsections:

49 NEW SUBSECTION. 5. The following accounts are
50 established in the energy conservation trust fund:

- 1 a. The Warner/Imperial account.
- 2 b. The Amoco/Beldridge/Nordstrom account.
- 3 c. The Exxon account.
- 4 d. The Stripper Wells account.
- 5 e. The Diamond Shamrock account.
- 6 f. The Amoco Refined account.
- 7 g. The OKC & Coline account.
- 8 h. The other funds account.

9 NEW SUBSECTION. 6. The moneys in the account in
 10 the energy conservation trust fund distributed to the
 11 state as a result of the 1985 federal court decision
 12 finding Exxon corporation in violation of federal
 13 petroleum pricing regulations shall be expended, to
 14 the extent possible, over a period of no more than six
 15 years and shall be disbursed for projects which meet
 16 the strict guidelines of the five existing federal
 17 energy conservation programs specified in Pub. L. No.
 18 97-377, § 155, 96 Stat. 1830, 1919 (1982). The

19 council shall approve the disbursement of moneys from
 20 the account in the fund for other projects only if the
 21 project meets one or more of the following conditions:

- 22 a. The projects meet the guidelines for allowable
 23 projects under a modification order entered by the
 24 federal court in the case involving Exxon corporation.
- 25 b. The projects meet the guidelines for allowable
 26 projects under a directive order entered by the
 27 federal court in the case involving Exxon corporation.
- 28 c. The projects meet the guidelines for allowable
 29 projects under the regulations adopted or written
 30 clarifications issued by the United States department
 31 of energy.

32 Sec. 8. 1986 Iowa Acts, chapter 1249, section 4,
 33 unnumbered paragraph 1, is amended to read as follows:

34 There is appropriated from the funds available in
 35 the energy conservation trust fund, established in
 36 section 93.11, for the fiscal year period beginning
 37 July 1, 1986, and ending June 30, ~~1987~~ 1988, to the
 38 energy and geological resources division of the
 39 department of natural resources for disbursement under
 40 section 93.11, the following amounts, or so much
 41 thereof as is necessary, to be used for the purposes
 42 designated consistent with the expressed legislative
 43 intent of this Act:

44 Sec. 9. The treasurer of state shall transfer and
 45 deposit funds in the petroleum overcharge fund created
 46 by section 93.15 into the appropriate accounts in the
 47 energy conservation trust fund created by section
 48 93.11. Any appropriation of the funds in the
 49 petroleum overcharge fund shall follow and apply to
 50 the funds in the energy conservation trust fund.

- 1 Sec. 10. Section 93.15, Code 1987, is repealed."
- 2 2. Title page, line 1, by inserting after the
- 3 word "Act" the words "relating to and".

Filed May 7, 1987

RECEIVED FROM THE HOUSE

Sen. CONCURRED (p. 1762)

Motion to Reconsider (p. 1782) prevailed 5/8

Further amended by 4063.

Senate concurred 5/11/87 (p. 1871)

SENATE FILE 517

S-4063

1 Amend the House amendment, S-4034, to Senate File
2 517 as amended, passed, and reprinted by the Senate as
3 follows:

4 1. By striking page 2, line 46 through page 3,
5 line 8 and inserting the following:

6 "4. To the state board of
7 regents for the following
8 purposes:

9 a. For energy conser-
10 vation improvements at the
11 University of Northern Iowa
12 including the installation
13 of a new, more efficient

14 boiler \$ \$ 2,400,000

15 b. For research by the
16 Iowa State University of
17 science and technology cen-
18 ter for industrial research
19 and service on establishing
20 a waste stream for used
21 motor oil, investigating
22 alternative disposal methods,
and coordinating with other
states' research projects
25 on used motor oil collec-
26 tion and disposal \$ \$ 30,000".

27 2. Page 3, by inserting after line 22 the
28 following:

29 "2. The state board of regents is authorized to
30 enter into contracts for the purpose of commencing
31 construction of the boiler project. It is the intent
32 of the general assembly to fund the balance of the ten
33 million one hundred thousand (10,100,000) dollar
34 boiler project through other appropriations or through
35 authorizing additional academic building revenue
36 bonds. If the funds in the Stripper Wells account are
37 insufficient to satisfy the appropriations from that
38 account in section 1 of this Act, the appropriation in
39 subsection 4, paragraph "a", shall be suspended by the
40 amount of the shortage and the suspended appropriation
41 shall continue and carry over until sufficient funds
42 are deposited in that account."

43 3. Renumber as necessary.

S-4063

Filed May 7, 1987

BY JOY C. CORNING

Adopted 5/5/87 (by 1792)

SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE FILE 517
H-4373

1 Amend the House amendment, S-4034, to Senate File
2 517 as amended, passed, and reprinted by the Senate as
3 follows:

4 1. By striking page 2, line 46 through page 3,
5 line 8 and inserting the following:

6 "4. To the state board of
7 regents for the following
8 purposes:

9 a. For energy conser-
10 vation improvements at the
11 University of Northern Iowa
12 including the installation
13 of a new, more efficient
14 boiler \$ \$ 2,400,000

15 b. For research by the
16 Iowa State University of
17 science and technology cen-
18 ter for industrial research
19 and service on establishing
20 a waste stream for used
21 motor oil, investigating
22 alternative disposal methods,
23 and coordinating with other
24 states' research projects
25 on used motor oil collec-
26 tion and disposal \$ \$ 30,000".

27 2. Page 3, by inserting after line 22 the
28 following:

29 "2. The state board of regents is authorized to
30 enter into contracts for the purpose of commencing
31 construction of the boiler project. It is the intent
32 of the general assembly to fund the balance of the ten
33 million one hundred thousand (10,100,000) dollar
34 boiler project through other appropriations or through
35 authorizing additional academic building revenue
36 bonds. If the funds in the Stripper Wells account are
37 insufficient to satisfy the appropriations from that
38 account in section 1 of this Act, the appropriation in
39 subsection 4, paragraph "a", shall be suspended by the
40 amount of the shortage and the suspended appropriation
41 shall continue and carry over until sufficient funds
42 are deposited in that account."

43 3. Renumber as necessary.

H-4373 FILED MAY 9, 1987
REFUSED TO CONCUR (p. 230)
Senate insisted 5/7/87 (p. 187)

RECEIVED FROM THE SENATE

May 10, 1987

REPORT OF THE CONFERENCE COMMITTEE
ON SENATE FILE 517

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to resolve the differences between the Senate and the House of Representatives on Senate File 517, a bill for An Act appropriating petroleum overcharge funds, respectfully make the following report:

1. That the Senate recede from its amendment, H-4373, to the House amendment, S-4034, to Senate File 517 as amended, passed and reprinted by the Senate.

2. That the House amendment, S-4034, to Senate File 517 as amended, passed and reprinted by the Senate be amended as follows:

1. Page 7, by striking line 1 and inserting the following:

"Sec. 10. Sections 93.15 and 601K.128, Code 1987, are repealed."

SENATE 121
May 10, 1987

2. Page 7, line 3, by inserting after the words "relating to" the following: "state agencies receiving petroleum overcharge funds".

ON THE PART OF THE SENATE:

RICHARD VARN, Chairperson
LARRY MURPHY
WILLIAM W. DIELEMAN
JOHN W. JENSEN

ON THE PART OF THE HOUSE:

DON KNAPP, Chairperson
RALPH ROSENBERG
FLORENCE D. BUHR
MIKE VAN CAMP
MARVIN E. DIEMER

Filed May 9, 1987

Senate adopted 5/10/87 (p. 1289)
House adopted 5/9/87 (p. 2365)

CCR -2-

SENATE FILE 517

AN ACT
RELATING TO STATE AGENCIES RECEIVING PETROLEUM OVERCHARGE FUNDS
AND APPROPRIATING PETROLEUM OVERCHARGE FUNDS.

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

Section 1. There is appropriated for the fiscal year beginning July 1, 1987 and ending June 30, 1989, the following amounts, or so much thereof as is necessary, from the funds in the Exxon and Stripper Well accounts in the energy conservation trust fund created in section 93.11, as indicated, to the energy and geological resources division of the department of natural resources for disbursement under section 93.11 to the following agencies for the purposes designated:

	Exxon	Stripper Wells
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, and including administrative costs	\$ 175,000	\$
2. To the department of natural resources for the following purposes:		
a. For deposit in the energy bank for schools and merged area schools created in 565 Iowa administrative code.		

rule 6.5	\$	500,000
b. An independent study evaluating federal weatherization due July 1, 1988	\$ 75,000	\$
c. For energy conservation efforts by low-income nonprofit housing organizations	\$	500,000
d. For a competitive grant program administered by the energy fund disbursement council with the following funds to be transferred to the designated agencies for the indicated purposes:		
(1) To the department of natural resources in cooperation with the department of economic development to provide venture capital to new businesses in Iowa whose products or services are directly related to energy conservation	\$	500,000
(2) 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)	\$ 1,000,000	\$
e. For the administration of the programs funded by		

this subsection, except paragraph "f" \$ 200,000

f. For deposit in the oil overcharge account of the groundwater protection fund created by House File 631, 1987 Iowa Acts, and allocated as provided in that Act \$ 2,000,000 \$ 3,530,000

3. To the state department of transportation for the following purposes:

a. For energy conservation loans, grants, or expenditures to aid mass transit, to be distributed according to the existing department of transportation formula and targeted for low-income Iowans \$ 1,700,000

b. For grants and loans for one or more pilot projects of intermodal transportation facilities, including ports, terminals, transfer facilities and freight distribution centers ... \$ 750,000 \$

c. For energy conservation projects \$ 1,500,000

4. To the state board of regents for research by the Iowa State University of science and technology center for industrial research and service on establishing

a waste stream for used motor oil, investigating alternative disposal methods, and coordinating with other states' research projects on used motor oil collection and disposal \$ 30,000

5. To the department of economic development for the Iowa main street \$ 125,000 \$

6. To the department of general services for energy conservation improvements at Terrace Hill \$ 50,000

Sec. 2.

1. It is a condition of the funds appropriated by section 1, subsection 1, of this Act that the department of human rights adopt rules to provide that rents shall not be raised because of the increased value of dwelling units due solely to weatherization assistance provided under that paragraph.

2. Notwithstanding section 8.33, the funds appropriated by section 1, subsection 3, paragraph "c" shall not revert and shall continue until the completion of the projects.

3. If an appropriation made by section 1 from the Stripper Wells account of the energy conservation trust fund is eligible to be made in whole or in part from the Exxon account, then, to the extent of that eligibility, that appropriation shall be made from the Exxon account instead of the Stripper Wells account.

Sec. 3. There is appropriated to the designated agencies from the Amoco/Beldridge/Nordstrom account, Amoco Refined account, OKC & Coine account, and the Exxon account in the energy conservation trust fund created in section 93.11 for the fiscal year beginning July 1, 1987 and ending July 1, 1988 the following amounts, or so much thereof as is necessary to

maintain the funding level for each of the following programs at the level of the preceding fiscal year, to supplement federal funds for the following programs:

1. To the department of human rights for low-income weatherization program \$ 936,934
2. To the department of natural resources for:
 - a. Institutional conservation program \$ 270,702
 - b. State energy conservation program \$ 118,500
 - c. Energy extension service program \$ 49,700

All the funds in the Amoco/Beldridge/Nordstrom account, Amoco Refined account, and OKC & Coline account shall be appropriated by this section before the funds in the Exxon account are appropriated by this section.

Sec. 4. The state agencies appropriated and disbursed funds under section 1 of this Act shall adopt rules under chapter 17A to establish and implement the programs funded by this Act.

Sec. 5. Section 93.11, subsections 1 and 4, Code 1987, are amended by striking the subsections and inserting in lieu thereof the following:

1. a. The energy conservation trust fund is created within the state treasury. This state on behalf of itself, its citizens, and its political subdivisions accepts any moneys awarded or allocated to the state, its citizens, and its political subdivisions as a result of the federal court decisions and federal department of energy settlements resulting from alleged violations of federal petroleum pricing regulations and deposits the moneys in the energy conservation trust fund.

b. The energy conservation trust fund is established to provide for an orderly, efficient, and effective mechanism to make maximum use of moneys available to the state, in order to increase energy conservation efforts and thereby to save the citizens of this state energy expenditures. The moneys in the accounts in the fund shall be expended only upon appropriation by the general assembly and only for programs which will benefit citizens who may have suffered economic penalties resulting from the alleged petroleum overcharges.

c. The moneys awarded or allocated from each court decision or settlement shall be placed in a separate account in the energy conservation trust fund. Notwithstanding section 453.7, interest and earnings on investments from moneys in the fund shall be credited proportionately to the accounts in the fund.

d. Unless prohibited by the conditions applying to an account, the moneys in the energy conservation trust fund may be used for the payment of attorney fees and expenses incurred by the state to obtain the moneys and shall be paid by the director of revenue and finance from the available moneys in the fund subject to the approval of the attorney general.

e. However, petroleum overcharge funds received pursuant to claims filed on behalf of the state, its institutions, departments, agencies, or political subdivisions shall be deposited in the general fund of the state to be disbursed directly to the appropriate claimants in accordance with federal guidelines and subject to the approval of the attorney general.

4. The administrator of the energy and geological resources division of the department of natural resources shall be the administrator of the energy conservation trust fund. The administrator shall disburse moneys appropriated by the general assembly from the accounts in the fund in accordance with the federal court orders, law and regulation, or settlement conditions applying to the moneys in that

account, and subject to the approval of the energy fund disbursement council if such approval is required. The council, after consultation with the attorney general, shall immediately approve the disbursement of moneys from the account in the fund for projects which meet the federal court orders, law and regulations, or settlement conditions which apply to that account.

Sec. 6. Section 93.11, subsection 3, unnumbered paragraph 1, Code 1987, is amended to read as follows:

An energy fund disbursement council is established. The council shall be composed of the governor or the governor's designee, the director of the department of management, who shall serve as the council's chairperson, the administrator of the division of community action agencies of the department of human rights, the administrator of the energy and geological resources division of the department of natural resources, and a designee of the director of the department of transportation, who is knowledgeable in the field of energy conservation. The council shall include as nonvoting members two members of the senate appointed by the majority leader of the senate and two members of the house of representatives appointed by the speaker of the house. The legislative members shall be appointed upon the convening and for the period of each general assembly. Not more than one member from each house shall be of the same political party. The council shall be staffed by the energy and geological resources division of the department of natural resources. The attorney general shall provide legal assistance to the council.

Sec. 7. Section 93.11, Code 1987, is amended by adding the following new subsections:

NEW SUBSECTION. 5. The following accounts are established in the energy conservation trust fund:

- a. The Warner/Imperial account.
- b. The Amcco/Beldridge/Nordstrom account.

- c. The Exxon account.
- d. The Stripper Wells account.
- e. The Diamond Shamrock account.
- f. The Amcco Refined account.
- g. The OKC & Coline account.
- h. The other funds account.

NEW SUBSECTION. 6. The moneys in the account in the energy conservation trust fund distributed to the state as a result of the 1985 federal court decision finding Exxon corporation in violation of federal petroleum pricing regulations shall be expended, to the extent possible, over a period of no more than six years and shall be disbursed for projects which meet the strict guidelines of the five existing federal energy conservation programs specified in Pub. L. No. 97-377, § 155, 96 Stat. 1830, 1919 (1982). The council shall approve the disbursement of moneys from the account in the fund for other projects only if the project meets one or more of the following conditions:

- a. The projects meet the guidelines for allowable projects under a modification order entered by the federal court in the case involving Exxon corporation.
- b. The projects meet the guidelines for allowable projects under a directive order entered by the federal court in the case involving Exxon corporation.
- c. The projects meet the guidelines for allowable projects under the regulations adopted or written clarifications issued by the United States department of energy.

Sec. 8. 1986 Iowa Acts, chapter 1249, section 4, unnumbered paragraph 1, is amended to read as follows:

There is appropriated from the funds available in the energy conservation trust fund, established in section 93.11, for the fiscal year period beginning July 1, 1986, and ending June 30, 1987 1988, 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:

Sec. 9. The treasurer of state shall transfer and deposit funds in the petroleum overcharge fund created by section 93.15 into the appropriate accounts in the energy conservation trust fund created by section 93.11. Any appropriation of the funds in the petroleum overcharge fund shall follow and apply to the funds in the energy conservation trust fund.

Sec. 10. Sections 93.15 and 601K.128, Code 1987, are repealed.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 517, Seventy-second General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved June 6, 1987

TERRY E. BRANSTAD
Governor

Sf 517