

Reprinted

SENATE FILE 508
BY COMMITTEE ON ENVIRONMENT AND
ENERGY UTILITIES

(SUCCESSOR TO SSB 333)

Failed
Passed Senate, Date 4/2/91 (p. 1052) Passed House, Date 4/25/91 (P. 1546)
Vote: Ayes 25 Nays 24 Vote: Ayes 92 Nays 7

Approved June 10, 1991

Motion to reconsider (p. 1071)

Repassed Senate 4/9/91 (p. 1152)
provides 4/9
A BILL FOR
Ayes 27 Nays 2

3233 1 An Act relating to energy efficiency by expanding the entities
2 entitled to financial assistance for implementing energy
3 conservation measures, requiring implementation of life cycle
4 cost analyses and providing exemptions from the implementation
5 requirements, requiring the appropriation of abandoned utility
6 refunds and deposits, establishing energy efficiency standards
7 for certain products, establishing various energy efficiency-
8 related programs and projects, and providing for a sales and
9 use tax credit for the purchase of fuel-efficient motor
10 vehicles.

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

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508

1 Section 1. Section 18.115, Code 1991, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 4A. Of all new motor vehicles purchased
4 by the state vehicle dispatcher and any other state agency
5 purchasing new motor vehicles, beginning July 1, 1991, a
6 minimum of ten percent of the vehicles purchased shall be
7 equipped with engines which utilize ethanol as fuel, if
8 commercially available.

9 Sec. 2. NEW SECTION. 73.22 PREFERENCE -- STATE
10 ASSISTANCE -- ENERGY EFFICIENCY-RELATED BUSINESS.

11 Every agency, department, commission, board, committee,
12 officer, or other governing body of the state, in the awarding
13 of any type of financial assistance to businesses in the
14 state, shall give preference to those businesses which are
15 involved in recycling, the development of alternative fuels,
16 or energy efficiency.

17 Sec. 3. Section 93.11, subsection 1, paragraph d, Code
18 1991, is amended to read as follows:

19 d. Unless prohibited by the conditions applying to a
20 settlement, the petroleum overcharge moneys in the energy
21 conservation trust may be used for the payment of attorney
22 fees and expenses incurred by the state to obtain the moneys
23 and shall be paid by the director of revenue and finance from
24 the available moneys in the trust subject to the approval of
25 the attorney general.

26 Sec. 4. Section 93.11, subsection 1, Code 1991, is amended
27 by adding the following new paragraph:

28 NEW PARAGRAPH. f. The moneys deposited in the energy
29 research and development fund shall be used for research and
30 development of selected projects to improve Iowa's energy
31 independence by developing improved methods of energy
32 efficiency, or by increased development and use of Iowa's
33 renewable nonresource-depleting energy resources. The moneys
34 credited to the fund under section 556.18 shall be used for
35 energy conservation and alternative energy resource projects.

1 The projects shall be selected by the director and
2 administered by the department. Selection criteria for funded
3 projects shall include consideration of indirect restitution
4 to those persons in the state in the utility customer classes
5 and the utility service territories affected by unclaimed
6 utility refunds or deposits.

7 Sec. 5. Section 93.11, subsection 5, Code 1991, is amended
8 by adding the following new paragraph:

9 NEW PARAGRAPH. f. The energy research and development
10 fund.

11 Sec. 6. Section 93.11, subsection 6, Code 1991, is amended
12 to read as follows:

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

24 Sec. 7. Section 93.13A, Code 1991, is amended to read as
25 follows:

26 93.13A ENERGY CONSERVATION MEASURES IDENTIFIED AND
27 IMPLEMENTED.

28 The state, state agencies, political subdivisions of the
29 state, ~~schools~~ school districts, area education agencies, and
30 community colleges shall identify and implement, through
31 energy audits and engineering analyses, all energy
32 conservation measures identified for which financing is made
33 available by the department to the entity. The energy
34 conservation measure financings shall be supported through
35 payments from energy savings.

1 The department shall not require a school district, area
2 school community college, area education agency, city, or
3 county to perform an engineering analysis if the school
4 district, community college, area education agency, city, or
5 county demonstrates to the department that the facility which
6 is the subject of the proposed engineering analysis at issue
7 is unlikely to be in use or operation in six years by the
8 governmental entity currently using or occupying the facility.

9 Sec. 8. Section 93.19, Code 1991, is amended to read as
10 follows:

11 93.19 ENERGY BANK PROGRAM.

12 The energy bank program is established by the department.
13 The energy bank program consists of the following forms of
14 assistance for ~~school-districts, area-education-agencies,~~
15 ~~cities, counties, and community colleges~~ the state, state
16 agencies, political subdivisions of the state, school
17 districts, area education agencies, community colleges, and
18 nonprofit organizations:

19 1. Providing moneys from the petroleum overcharge fund for
20 conducting energy audits for school districts under section
21 279.44 for conducting comprehensive engineering analyses for
22 school districts and for conducting energy audits and
23 comprehensive engineering analyses for state agencies, and
24 political subdivisions of the state.

25 2. Providing loans, leases, and other methods of
26 alternative financing from the energy loan fund established in
27 section 93.20 and section 93.20A for ~~school-districts,~~
28 ~~community-colleges, area-education-agencies, cities and~~
29 ~~counties~~ the state, state agencies, political subdivisions of
30 the state, school districts, area education agencies,
31 community colleges, and nonprofit organizations to implement
32 energy conservation measures.

33 3. Serving as a source of technical support for energy
34 conservation management.

35 4. Providing assistance for obtaining insurance on the

1 energy savings expected to be realized from the implementation
2 of energy conservation measures.

3 5. Providing self-liquidating financing for school
4 districts, ~~community colleges, area education agencies,~~
5 ~~cities, and counties,~~ the state, state agencies, political
6 subdivisions of the state, school districts, area education
7 agencies, community colleges, and nonprofit organizations
8 pursuant to section 93.20A.

9 For the purpose of this section, section 93.20, and section
10 93.20A, "energy conservation measure" means construction,
11 rehabilitation, acquisition, or modification of an
12 installation in a ~~building~~ facility or vehicle which is
13 intended to reduce energy consumption, or energy costs, or
14 both, or allow the use of an alternative energy source, which
15 may contain integral control and measurement devices.

16 "Nonprofit organization" means an organization exempt from
17 federal income taxation under section 501(c)(3) of the
18 Internal Revenue Code.

19 Sec. 9. Section 93.20, Code 1991, is amended to read as
20 follows:

21 93.20 ENERGY LOAN FUND.

22 An energy loan fund is established in the office of the
23 treasurer of state to be administered by the department.

24 1. The department may make loans to ~~school districts,~~
25 ~~community colleges, area education agencies, cities, and~~
26 ~~counties~~ the state, state agencies, political subdivisions of
27 the state, school districts, area education agencies,
28 community colleges, and nonprofit organizations for
29 implementation of energy conservation measures identified in a
30 comprehensive engineering analysis. Loans shall not be made
31 for energy conservation measures that require more than an
32 average of six years for the ~~school district, community~~
33 ~~college, area education agency, city and county~~ state, state
34 agency, political subdivision of the state, school district,
35 area education agency, community college, or nonprofit

1 organization as an entity to recoup the actual or projected
2 cost of construction and acquisition of the improvements; and
3 cost of the engineering plans and specifications. For a
4 ~~school-district, community-college, area-education-agency,~~
5 city-or-county the state, state agencies, political
6 subdivisions of the state, school districts, area education
7 agencies, community colleges, and nonprofit organizations to
8 receive a loan from the fund, the department shall require
9 completion of an energy management plan including an energy
10 audit and a comprehensive engineering analysis. The
11 department shall approve loans made under this section.

12 2. Cities and counties shall repay the loans from moneys
13 in their debt service funds. Area education agencies shall
14 repay the loans from any moneys available to them.

15 School districts and community colleges may enter into
16 financing arrangements with the department or its duly
17 authorized agents or representatives obligating the school
18 district or community college to make payments on the loans
19 beyond the current budget year of the school district or
20 community college. Chapter 75 shall not be applicable.
21 School districts shall repay the loans from moneys in either
22 their general fund or schoolhouse fund. Community colleges
23 shall repay the loans from their general fund. Other entities
24 receiving loans under this section shall repay the loans from
25 any moneys available to them.

26 3. The department may accept gifts, federal funds, state
27 appropriations, and other moneys for deposit in the energy
28 loan fund or may fund the energy loan fund in accordance with
29 section 93.20A.

30 4. For the purpose of this section, "loans" means loans,
31 leases, or alternative financing arrangements.

32 5. ~~A-school-district, community-college, area-education~~
33 ~~agency, city, or-county~~ The state, state agencies, political
34 subdivisions of the state, school districts, area education
35 agencies, and community colleges shall design and construct

1 the most energy cost-effective facilities feasible and shall
2 use the financing made available by the department to cover
3 the incremental costs above minimum building code energy
4 efficiency standards of purchasing energy efficient devices
5 and materials unless other lower cost financing is available.
6 As used in this section, "facility" means a structure that is
7 heated or cooled by a mechanical or electrical system, or any
8 system of physical operation that consumes energy to carry out
9 a process.

10 6. The department shall not require a-school-district,
11 community-college,-area-education-agency,-city,-or-county the
12 state, state agencies, political subdivisions of the state,
13 school districts, area education agencies, and community
14 colleges to implement a specific energy conservation measure
15 identified in a comprehensive engineering analysis if the
16 political-subdivision entity which prepared the analysis
17 demonstrates to the department that the facility which is the
18 subject of the energy conservation measure is unlikely to be
19 used or operated for the full period of the expected payback
20 of the energy conservation measure.

21 Sec. 10. Section 93.20A, Code 1991, is amended to read as
22 follows:

23 93.20A SELF-LIQUIDATING FINANCING.

24 1. The department of natural resources may enter into
25 financing agreements with school-districts,-community
26 colleges,-area-education-agencies,-cities,-or-counties the
27 state, state agencies, political subdivisions of the state,
28 school districts, area education agencies, community colleges,
29 or nonprofit organizations in order to provide the financing
30 to pay the costs of furnishing energy conservation measures.
31 The provisions of section 93.20 defining eligible energy
32 conservation measures and the method of repayment of the loans
33 apply to financings under this section.

34 The financing agreement may contain provisions, including
35 interest, term, and obligations to make payments on the

1 financing agreement beyond the current budget year, as may be
2 agreed upon between the department of natural resources and
3 ~~the-school-district,-community-college,-area-education-agency,-~~
4 ~~city,-or-county~~ the state, state agencies, political
5 subdivisions of the state, school districts, area education
6 agencies, community colleges, or nonprofit organizations.

7 2. For the purpose of funding its obligation to furnish
8 moneys under the financing agreements, or to fund the energy
9 loan fund created in section 93.20, the treasurer of state,
10 with the assistance of the department of natural resources, or
11 the treasurer of state's duly authorized agents or
12 representatives, may incur indebtedness or enter into master
13 lease agreements or other financing arrangements to borrow to
14 accomplish energy conservation measures, or the department of
15 natural resources may enter into master lease agreements or
16 other financing arrangements to permit ~~school-districts,-area~~
17 ~~education-agencies,-community-colleges,-cities,-or-counties~~
18 the state, state agencies, political subdivisions of the
19 state, school districts, area education agencies, community
20 colleges, or nonprofit organizations to borrow sufficient
21 funds to accomplish the energy conservation measure. The
22 obligations may be in such form, for such term, bearing such
23 interest and containing such provisions as the department of
24 natural resources, with the assistance of the treasurer of
25 state, deems necessary or appropriate. Funds remaining after
26 the payment of all obligations have been redeemed shall be
27 paid into the energy loan fund.

28 3. ~~School-districts,-community-colleges,-area-education~~
29 ~~agencies,-cities,-or-counties~~ The state, state agencies,
30 political subdivisions of the state, school districts, area
31 education agencies, community colleges, and nonprofit
32 organizations may enter into financing agreements and issue
33 obligations necessary to carry out the provisions of the
34 chapter. Chapter 75 shall not be applicable.

22735 Sec. 11. NEW SECTION. 93.41 NONCONSUMER APPLIANCES AND

1 EQUIPMENT -- STANDARDS.

2 The department shall adopt rules, pursuant to chapter 17A,
3 to establish standards for minimum levels of operating
4 efficiency, based on a reasonable use pattern, and may
5 prescribe other cost-effective measures, including incentive
6 programs, fleet averaging, energy consumption labeling not
7 preempted by federal labeling, and education programs, to
8 promote the use of nonconsumer energy efficient appliances
9 whose use, as determined by the commission, requires a
10 significant amount of energy on a statewide basis. The
11 minimum levels of operating efficiency shall be based on
12 feasible and attainable efficiencies or feasible improved
13 efficiencies which will reduce the electrical energy
14 consumption growth rate. The department shall adopt standards
15 which will not result in additional total costs over the
16 designed life of the appliance for which a standard is
17 adopted. The standards shall be based on the national
18 voluntary consensus standards 90.1-1989, adopted by the
19 American society of heating, refrigeration, and air
20 conditioning engineers or, for appliances not covered by that
21 standard, based on a similar nationwide consensus standard.
22 The standards shall become effective October 1, 1992. A new
23 appliance manufactured on or after October 1, 1992, shall not
24 be sold or offered for sale in this state, unless it is
25 certified by the manufacturer to be in compliance with the
26 standard adopted by the department for that appliance.

328727 Sec. 12. NEW SECTION. 93.42 LIGHTING EFFICIENCY

28 STANDARDS.

29 1. The director shall adopt rules, pursuant to chapter
30 17A, to establish minimum levels of operating efficiency for
31 fluorescent ballasts and luminaires with fluorescent ballasts.
32 The standards shall become effective October 1, 1992. On or
33 after October 1, 1992, a new fluorescent ballast or luminaire
34 with fluorescent ballast for which a standard is adopted shall
35 not be sold, offered for sale, or installed in this state

1 unless the fluorescent ballast or luminaire with fluorescent
2 ballast complies with the standards adopted.

3 2. The standards adopted shall include the following:

4 a. The ballast efficiency factor for all new ballasts
5 designed for the operation of one F40T12 lamp with a nominal
6 input voltage of either one hundred twenty or two hundred
7 seventy-seven and forty total nominal lamp watts shall be at
8 least one and eight hundred five one-thousandths.

9 b. The ballast efficiency factor for all new ballasts
10 designed for the operation of two F40T12 lamps with a nominal
11 input voltage of one hundred twenty and eighty total nominal
12 lamp watts shall be at least one and sixty one-thousandths and
13 for the operation of two F40T12 lamps with a nominal input
14 voltage of two hundred seventy-seven and eighty total nominal
15 lamp watts shall be at least one and fifty one-thousandths.

16 c. The ballast efficiency factor for all new ballasts
17 designed for the operation of two F96T12 lamps with a nominal
18 input voltage of either one hundred twenty or two hundred
19 seventy-seven and one hundred fifty nominal lamp watts shall
20 be at least five hundred seventy one-thousandths.

21 3. A person who manufactures luminaires or ballasts in
22 this state for final sale to retailers or consumers in this
23 state shall certify to the department, through a certification
24 procedure developed by rule of the department, that the
25 luminaires or ballasts are in compliance with the standards
26 adopted by the department.

27 4. For the purposes of this section, unless the context
28 otherwise requires:

29 a. "Ballast efficiency factor" means the ratio of the
30 relative light output of a ballast expressed as a percent to
31 the rate of energy consumption.

32 b. "Fluorescent ballast" means a device designed to
33 operate fluorescent lamps by providing a starting voltage and
34 current, and limiting the current during normal operation, but
35 does not include such devices that have a dimming capability

1 or are intended for use in ambient temperatures of zero
2 degrees Fahrenheit or less or have a power factor of less than
3 sixty one-hundredths for a single F40T12 lamp.

4 c. "F40T12 lamp" means a tubular fluorescent lamp that is
5 a nominal forty watt lamp, with a forty-eight inch tube length
6 and one and one-half inches in diameter.

7 d. "F96T12 lamp" means a tubular fluorescent lamp that is
8 a nominal seventy-five watt lamp with a ninety-six inch tube
9 length and one and one-half inches in diameter.

10 e. "Luminaire" means a complete lighting unit consisting
11 of a fluorescent lamp or lamps, together with parts designed
12 to distribute the light, to position and protect such lamps
13 and to connect such lamps to the power supply.

14 f. "Nominal input voltage" means an input voltage within
15 plus five percent or minus five percent of a specified value.

16 g. "Nominal lamp watts" means the wattage at which a lamp
17 is designed to operate and for which it is rated.

18 Sec. 13. NEW SECTION. 93.43 EXIT SIGNS -- STANDARDS.

19 The department shall adopt rules which require the use of
20 compact fluorescent bulbs in exit signs. Prior to the
21 adoption of rules, the department shall promote, through
22 educational materials, the use of compact fluorescent bulbs in
23 exit signs.

24 Sec. 14. NEW SECTION. 93.44 PLUMBING PRODUCTS EFFICIENCY
25 STANDARDS.

26 1. The department shall adopt rules which prescribe water
27 use standards for each product classified as a covered product
28 under this section. The standards adopted shall be designed
29 to achieve the maximum efficiency of water use which the
30 department determines is technologically and economically
31 feasible. For the purposes of this section, "covered product"
32 means water closets, including gravity tank-type toilets,
33 flushometer-tank toilets, flushometer-valve toilets,
34 electromechanical hydraulic toilets, and all other types of
35 toilets that use water; urinals; showerheads; faucets

1 including both lavatory and kitchen; and any other type of
2 plumbing product which the department classifies as a covered
3 product including but not limited to drinking fountains,
4 water-cooled air conditioning systems, decorative fountains,
5 dishwashers, and clothes washers.

6 2. The standards for specific plumbing products are as
7 follows:

8 a. For water closets, the maximum water use allowed in
9 gallons per flush for any of the following water closets,
10 manufactured and sold on or after January 1, 1995, is one and
11 six-tenths gallons per flush for gravity tank-type toilets,
12 flushometer-valve toilets, flushometer-tank toilets, and
13 electromechanical hydraulic toilets.

14 b. For urinals, the maximum water use allowed for any
15 urinal, manufactured and sold on or after January 1, 1995, is
16 one gallon per flush.

17 c. For showerheads, the maximum water use allowed for any
18 showerhead, manufactured and sold on or after January 1, 1995,
19 is two and one-half gallons per minute.

20 d. For faucets, the maximum water use allowed in gallons
21 per minute for any of the following faucets and replacement
22 aerators, manufactured and sold on or after January 1, 1995,
23 is as follows:

- 24 (1) Lavatory faucets, two gallons per minute.
- 25 (2) Lavatory replacement aerators, two gallons per minute.
- 26 (3) Kitchen faucets, two and one-half gallons per minute.
- 27 (4) Kitchen replacement aerators, two and one-half gallons
28 per minute.

29 3. The department shall prescribe standards for other
30 covered products for which water use standards are not
31 specified under this section which are manufactured or sold on
32 or after the date on which the product is classified by the
33 department as a covered product.

34 4. The department shall reevaluate the water use standards
35 prescribed under this section no later than the date which is

1 five years from the date of initial adoption of standards for
2 a covered product.

3 5. The department may provide for exemptions from the
4 standards prescribed under this section for certain covered
5 products if the department determines that the standard
6 prescribed for the covered product cannot be achieved through
7 use of existing technology. If an exemption is provided, the
8 department shall review the exemption annually to determine if
9 there is reason for continuing the exemption based upon
10 existing technology.

11 6. The department shall prescribe labeling requirements to
12 identify covered products which meet the specifications
13 prescribed by the department. Labeling of a covered product
14 shall be required no later than ninety days following the
15 establishment of a standard for the covered product, unless
16 the department determines that an extension period is
17 necessitated to allow sufficient time for compliance.

18 7. A person violating this section is subject to a civil
19 penalty of not more than one hundred dollars for each
20 violation.

21 Sec. 15. NEW SECTION. 93A.1 MIDWEST ENERGY COMPACT.

22 The midwest energy compact is enacted into law and entered
23 into with all other states which legally join in the compact
24 in substantially the following form:

25 INTERSTATE COMPACT ON ENERGY

26 ARTICLE I -- PURPOSE

27 It is the purpose of this compact to protect, preserve, and
28 enhance:

29 a. The economic and general welfare of citizens of the
30 joining states by increasing energy efficiency and energy
31 independence.

32 b. The economies and very existence of local communities
33 in such states, the economies of which are dependent upon
34 imported energy sources.

35 ARTICLE II -- COMMISSION

a. Organization and management

1
2 1. There is hereby created an agency of the member states
3 to be known as the interstate midwest energy commission,
4 hereinafter called the commission. The commission shall
5 consist of three residents of each member state who shall have
6 a background in energy efficiency and who shall be appointed
7 as follows: One member appointed by the governor, who shall
8 serve at the pleasure of the governor; one senator appointed
9 in the manner prescribed by the senate of the state, except
10 that in Iowa the appointment shall be made by the president of
11 the senate, after consultation with the majority leader and
12 the minority leader of the senate, and except that two
13 senators may be appointed by the governor of the state of
14 Nebraska from the unicameral legislature of the state of
15 Nebraska; and one member of the house of representatives
16 appointed in the manner prescribed by the house of
17 representatives of the state. The member first appointed by
18 the governor shall serve for a term of one year and the
19 senator and representative first appointed shall each serve
20 for a term of two years. Thereafter all members appointed
21 shall serve for two-year terms. The attorneys general of
22 member states or assistants designated by the attorneys
23 general shall be nonvoting members of the commission.

24 2. Each member shall be entitled to one vote. A member
25 must be present to vote and no voting by proxy shall be
26 permitted. The commission shall not act unless a majority of
27 the voting members are present, and no action shall be binding
28 unless approved by a majority of the total number of voting
29 members present.

30 3. The commission shall be a body corporate of each member
31 state and shall adopt an official seal to be used as it may
32 provide.

33 4. The commission shall hold an annual meeting and other
34 regular meetings as its bylaws may provide and special
35 meetings as its executive committee may determine. The

1 commission bylaws shall specify the dates of the annual and
2 any other regular meetings, and shall provide for the giving
3 of notice of annual, regular, and special meetings. Notices
4 of special meetings shall include the reasons therefor and an
5 agenda of the items to be considered.

6 5. The commission shall elect annually, from among its
7 voting members, a chairperson, a vice chairperson, and a
8 treasurer. The commission shall appoint an executive director
9 who shall serve at its pleasure, and shall fix the duties and
10 compensation of the director. The executive director shall be
11 secretary of the commission. The commission shall make
12 provision for the bonding of those of its officers and
13 employees as it may deem appropriate.

14 6. Irrespective of the civil service, personnel, or other
15 merit system laws of any member state, the executive director
16 shall appoint or discharge personnel as may be necessary for
17 the performance of the functions of the commission and shall
18 fix, with the approval of the commission, their duties and
19 compensation. The commission bylaws shall provide for
20 personnel policies and programs. The commission may establish
21 and maintain, independently of or in conjunction with any one
22 or more of the member states, a suitable retirement system for
23 its full-time employees. Employees of the commission shall be
24 eligible for social security coverage in respect of old age
25 and survivors insurance provided that the commission takes
26 steps as may be necessary pursuant to federal law to
27 participate in the program of insurance as a governmental
28 agency or unit. The commission may establish and maintain or
29 participate in additional programs of employee benefits as may
30 be appropriate. The commission may borrow, accept, or
31 contract for the services of personnel from any state, the
32 United States, or any other governmental entity.

33 7. The commission may accept for any of its purposes and
34 functions any and all donations and grants of money,
35 equipment, supplies, materials, and services, conditional or

1 otherwise, from any governmental entity, and may utilize and
2 dispose of the same.

3 8. The commission may establish one or more offices for
4 the transacting of its business.

5 9. The commission shall adopt bylaws for the conduct of
6 its business. The commission shall publish its bylaws in
7 convenient form, and shall file a copy of the bylaws and any
8 amendments thereto with the appropriate agency or officer in
9 each of the member states.

10 10. The commission annually shall make to the governor and
11 legislature of each member state a report covering its
12 activities for the preceding year. Any donation or grant
13 accepted by the commission or services borrowed shall be
14 reported in the annual report of the commission, and shall
15 include the nature, amount, and conditions, if any, of the
16 donation, gift, grant, or services borrowed and the identity
17 of the donor or lender. The commission may make additional
18 reports as it may deem desirable.

19 b. Committees

20 1. The commission may establish committees from its
21 membership as its bylaws may provide for the carrying out of
22 its functions.

23 ARTICLE III -- POWERS AND DUTIES OF COMMISSION

24 a. The commission shall conduct comprehensive and
25 continuing studies and investigations of energy efficiency
26 measures and their relationship to and effect upon the
27 citizens and economies of the member states.

28 b. The commission shall make recommendations for the
29 correction of weaknesses and solutions to problems in present
30 energy efficiency measures or the development of alternatives
31 thereto, including the development, drafting, and
32 recommendation of proposed state or federal legislation.

33 c. The commission is hereby authorized to do all things
34 necessary and incidental to the administration of its
35 functions under this compact.

ARTICLE IV -- FINANCE

1
2 a. The commission shall submit to the governor of each
3 member state a budget of its estimated expenditures for the
4 period required by the laws of that state for presentation to
5 the legislature of that state.

6 b. The moneys necessary to finance the general operations
7 of the commission not otherwise provided for in carrying forth
8 its duties, responsibilities, and powers as stated herein
9 shall be appropriated to the commission by the member states,
10 when authorized by the respective legislatures.

11 Appropriations by member states for the financing of the
12 operations of the commission in the initial biennium of the
13 compact shall be in the amount of fifty thousand dollars for
14 each member state. Thereafter the total amount of
15 appropriations requested shall be apportioned among the member
16 states in the manner determined by the commission. Failure of
17 a member state to provide its share of financing is cause for
18 the state to lose its membership in the compact.

19 c. The commission shall not incur any obligations of any
20 kind prior to the making of appropriations adequate to meet
21 the same, nor shall the commission pledge the credit of any of
22 the member states, except by and with the authority of the
23 member state.

24 d. The commission shall keep accurate accounts of all
25 receipts and disbursements. The receipts and disbursements of
26 the commission shall be subject to the audit and accounting
27 procedures established under its bylaws. However, all
28 receipts and disbursements of funds handled by the commission
29 shall be audited yearly by a certified or licensed public
30 accountant and the report of the audit shall be included in
31 and become part of the annual report of the commission.

32 e. The accounts of the commission shall be open for
33 inspection at any reasonable time.

34 ARTICLE V -- ELIGIBLE PARTIES, ENTRY INTO FORCE,
35 WITHDRAWAL, AND TERMINATION

1 a. Any state contiguous to Iowa may become a member of
2 this compact.

3 b. This compact shall become effective initially when
4 enacted into law by any five states and in additional states
5 upon their enactment of the same into law.

6 c. Any member state may withdraw from this compact by
7 enacting a statute repealing the compact, but such withdrawal
8 shall not become effective until one year after the enactment
9 of the repealing statute and the notification of the
10 commission thereof by the governor of the withdrawing state.
11 A withdrawing state shall be liable for any obligations which
12 it incurred on account of its membership up to the effective
13 date of withdrawal, and if the withdrawing state has
14 specifically undertaken or committed itself to any performance
15 of an obligation extending beyond the effective date of
16 withdrawal, it shall remain liable to the extent of that
17 obligation.

18 d. This compact shall terminate one year after the
19 notification of withdrawal by the governor of any member state
20 which reduces the total membership in the compact to less than
21 five states.

3287 22 Sec. 16. Section 159.5, Code 1991, is amended by adding
23 the following new subsection:

24 NEW SUBSECTION. 16. Support alternative energy
25 demonstration projects on farms.

3287 26 Sec. 17. NEW SECTION. 159.38 IOWA OFFICE FOR ETHANOL
27 RESEARCH AND TECHNOLOGY -- ESTABLISHED.

28 The department shall establish an Iowa office for ethanol
29 research and technology within the department to coordinate
30 and initiate research and demonstration projects related to
31 ethanol. The department shall coordinate research and
32 demonstration project efforts at the regents' universities in
33 regard to the use of alternative agricultural products and
34 distillation efforts, and shall study the feasibility of
35 opening processing plants which are dry milling ethanol

1 facilities.

2 Sec. 18. Section 266.39C, Code 1991, is amended by adding
3 the following new subsections:

3287 4 NEW SUBSECTION. 5. The Iowa energy center shall develop a
5 competitive grants program for comprehensive, in-depth
6 community-wide projects to reduce energy consumption and
7 enhance energy self-sufficiency. Cities, clusters of cities,
8 and counties with populations of five thousand or fewer are
9 eligible to apply for grants. Applications may be limited to
10 building efficiency or vehicle efficiency or may contain both
11 and shall contain a component for ongoing education concerning
12 the goals of the plan and how to achieve those goals.

3287 13 NEW SUBSECTION. 6. The Iowa energy center shall develop a
14 program to provide assistance for the subsidization of the
15 costs of weatherization and other energy efficiency efforts of
16 rural residents.

3287 17 NEW SUBSECTION. 7. The Iowa energy center, in cooperation
18 with the state department of transportation, shall conduct a
19 feasibility study of the development and implementation of a
20 "rail through rural Iowa" program to provide intrastate rail
21 connections between rural and urban areas of the state. The
22 center shall submit a report to the governor and the general
23 assembly by January 1992 regarding the feasibility of such a
24 program.

3287 25 NEW SUBSECTION. 8. The Iowa energy center shall expand
26 consumer education programs at the center to promote energy
27 efficiency and the use of alternative energy systems. The
28 center shall also cooperate with the state board of education
29 in developing a curriculum which promotes energy efficiency
30 and conservation.

31 Sec. 19. Section 307.10, Code 1991, is amended by adding
32 the following new subsections:

33 NEW SUBSECTION. 8. Promote the efforts of political
34 subdivisions in developing energy efficient public transit
35 systems including bus and rail systems.

1 NEW SUBSECTION. 9. Promote the development of rural bus
2 systems.

3 NEW SUBSECTION. 10. Develop and implement a bus system
4 subsidization program.

5 NEW SUBSECTION. 11. Develop a vanpool program and act as
6 a resource and referral source for vanpoolers in the state.

7 NEW SUBSECTION. 12. Develop and implement an interest-
8 free loan program to provide financial assistance to persons
9 owning and operating vanpool businesses in the state.

10 NEW SUBSECTION. 13. Conduct a comprehensive
11 transportation planning study to examine pedestrian
12 accessibility in new commercial development.

13 Sec. 20. NEW SECTION. 422.47D REFUNDS -- FUEL-EFFICIENT
14 AUTOMOBILE PURCHASE.

15 1. Sales and use tax paid on the purchase of a fuel-
16 efficient motor vehicle shall be refunded to the purchaser
17 provided all of the following conditions are met:

18 a. The purchase was made on or after July 1, 1991.

19 b. The tax was paid to the retailer or timely paid to the
20 department by the user if section 423.14 applies.

21 c. The claim is filed on forms provided by the department
22 and is filed during the three months following the fiscal year
23 in which the purchase was made.

24 2. A claim for refund timely filed under subsection 1
25 shall be paid by the department within ninety days after
26 receipt of the claim. A claimant who makes an erroneous
27 application for refund shall be liable for payment of any
28 refund paid plus interest at the rate in effect under section
29 421.7. In addition, a claimant who willfully makes a false
30 application for refund is guilty of a simple misdemeanor and
31 is liable for a penalty equal to fifty percent of the refund
32 claimed. Refunds, penalties, and interest due under this
33 section may be enforced and collected in the same manner as
34 the tax imposed by this division.

35 3. For the purposes of this section, "fuel-efficient motor

1 vehicle" means a motorized vehicle designed primarily for
2 carrying nine passengers or less, excluding motorcycles and
3 motorized bicycles, for which the average fuel efficiency
4 exceeds by at least ten miles per gallon the average fuel
5 economy standard for the vehicle's model year as established
6 by the United States secretary of transportation under 15
7 U.S.C. § 2002.

8 Sec. 21. Section 470.1, subsections 1 and 2, Code 1991,
9 are amended to read as follows:

10 1. "Public agency" means a ~~county, city, school district,~~
11 ~~school corporation or combination thereof or an executive~~
12 ~~board, commission, bureau, division, office or department of~~
13 the state agency, political subdivision of the state, school
14 district, area education agency, or community college.

15 2. "Facility" means a building having twenty thousand
16 square feet or more of usable floor space that is heated or
17 cooled by a mechanical or electrical system or any building,
18 system, or physical operation which consumes more than forty
19 thousand British thermal units (BTUs) per square foot per
20 year.

21 Sec. 22. Section 470.1, Code 1991, is amended by adding
22 the following new subsections:

23 NEW SUBSECTION. 8. "Commissioner" means the state
24 building code commissioner.

25 NEW SUBSECTION. 9. "Department" means the department of
26 natural resources.

27 NEW SUBSECTION. 10. "Director" means the director of the
28 department of natural resources.

29 Sec. 23. Section 470.3, subsection 2, Code 1991, is
30 amended to read as follows:

31 2. A public agency or a person preparing a life cycle cost
32 analysis for a public agency shall consider the methods and
33 analytical models provided by the department of natural
34 resources and available through the ~~state-building-code~~
35 commissioner, which are suited to the purpose for which the

1 project is intended. Within sixty days of final selection of
2 a design architect or engineer, a public agency, which is also
3 a state agency under section 19.34, shall notify the state
4 building-code commissioner and the department of ~~natural~~
5 resources of the methodology to be used to perform the life
6 cycle cost analysis on forms provided by the department of
7 ~~natural-resources~~.

8 Sec. 24. Section 470.7, Code 1991, is amended to read as
9 follows:

10 470.7 LIFE CYCLE COST ANALYSIS -- APPROVAL.

11 The public agency responsible for the new construction or
12 renovation of a public facility shall submit a copy of the
13 life cycle cost analysis for review by the ~~state-building-code~~
14 commissioner who shall consult with the department of ~~natural~~
15 resources. If the public agency is also a state agency under
16 section 19.34, comments by the department of ~~natural-resources~~
17 or the ~~state-building-code~~ commissioner, including any
18 recommendation for changes in the analysis, shall, within
19 thirty days of receipt of the analysis, be forwarded in
20 writing to the public agency. If either the department or the
21 commissioner disagrees with any aspects of the life cycle cost
22 analysis, the public agency affected shall timely respond in
23 writing to the ~~state-building-code~~ commissioner and the
24 department of ~~natural-resources~~. The response shall indicate
25 whether the agency intends to implement the recommendations
26 and, if the agency does not intend to implement them, the
27 public agency shall present its reasons. The reasons may
28 include, but are not limited to, a description of the purpose
29 of the facility or renovation, preservation of historical
30 architectural features, architectural and site considerations,
31 and health and safety concerns.

32 Within thirty days of receipt of the response of the public
33 agency affected, the department, the commissioner, or both,
34 shall notify in writing the public agency affected of the
35 department's, the commissioner's, or both's agreement or

1 disagreement with the response. In the event of a
2 disagreement, the department, the commissioner, or both, shall
3 at the same time transmit the notification of disagreement
4 with response and related papers to the executive council for
5 resolution pursuant to section 19.34. The life cycle cost
6 analysis process, including submittal and approval, and
7 implementation exemption requests pursuant to section 470.8,
8 shall be completed prior to the letting of contracts for the
9 construction or renovation of a facility.

10 Sec. 25. NEW SECTION. 470.8 LIFE CYCLE COST ANALYSIS --
11 IMPLEMENTATION AND EXEMPTIONS.

12 The public agency responsible for the new construction or
13 renovation of a public facility shall implement the
14 recommendations of the life cycle cost analysis.

15 The commissioner, in consultation with the director, shall,
16 by rule, develop criteria to exempt facilities from the
17 implementation requirements of this section. Using the
18 criteria, the commissioner, in cooperation with the director,
19 shall exempt facilities on a case by case basis. Factors to
20 be considered when developing the exemption criteria shall
21 include, but not be limited to a description of the purpose of
22 the facility or renovation, the preservation of historical
23 architectural features, site considerations, and health and
24 safety concerns. The commissioner and the director shall
25 grant or deny a request for exemption from the requirements of
26 this section within thirty days of receipt of the request.

27 Sec. 26. Section 476.6, subsection 19, Code 1991, is
28 amended by adding the following new paragraph:

29 NEW PARAGRAPH. g. A rate-regulated utility required to
30 submit an energy efficiency plan under this subsection shall
31 cooperate with state agencies and political subdivisions in
32 developing and implementing the plans.

33 Sec. 27. NEW SECTION. 476.64 ENERGY SAVINGS CREDIT PLAN
34 CREATED.

35 The board shall establish an energy savings credit program

1 to require each electric and gas public utility to provide a
2 credit to businesses which implement a net energy savings
3 plan.

4 Sec. 28. Section 556.18, subsection 3, Code 1991, is
5 amended to read as follows:

6 3. After July 1, 1988, the treasurer of state shall
7 annually credit ~~the first one hundred fifty thousand dollars~~
8 of all moneys received under section 556.4 to the energy
9 research and development fund ~~created under section 93.14, and~~
10 ~~shall credit all additional moneys received under section~~
11 ~~556.4 to the energy crisis fund created under section 601K.102~~
12 established in the energy conservation trust under section
13 93.11.

14 Sec. 29. Section 601K.102, subsection 2, paragraph b, Code
15 1991, is amended by striking the paragraph.

16 Sec. 30. TELECOMMUTING PILOT PROJECT -- STATE EMPLOYEES.
17 The department of management, in cooperation with the
18 department of natural resources, division of energy and
19 geological resources, shall conduct a pilot project to
20 implement telecommuting as an alternative for state employees,
21 including but not limited to those whose primary duties and
22 services are typically performed by phone or upon a computer,
23 and who currently have access to a computer or other
24 telecommunication equipment at work. The department of
25 management shall submit a report of the progress of the pilot
26 project to the general assembly by January 15, 1992.

27 Sec. 31. Section 93.14, Code 1991, is repealed.

28 EXPLANATION

29 This bill expands the entities entitled to financial
30 assistance under the energy bank program, entitled to loans
31 under the energy loan fund, and entitled to self-liquidating
32 financing agreements with the department of natural resources,
33 for the costs of implementing energy conservation measures, to
34 include the state, state agencies, certain political
35 subdivisions of the state, and nonprofit organizations who are

1 exempt from federal income taxation under section 501(c)(3) of
2 the Internal Revenue Code. It provides moneys from the
3 petroleum overcharge fund to conduct comprehensive engineering
4 analyses for school districts and energy audits and
5 comprehensive engineering analyses for state agencies and
6 political subdivisions of the state. It expands the
7 definition of energy conservation measure to include the
8 construction, rehabilitation, acquisition, or modification of
9 an installation in a facility or a vehicle rather than
10 limiting it to a building.

11 Additionally, the bill changes the definition of public
12 agency and adds a building, system or physical operation which
13 consumes more than 40,000 BTUs per square foot per year to the
14 definition of facility in section 470.1. The bill also adds
15 the definitions of commissioner, department, and director to
16 section 470.1. The bill requires the entire life cycle cost
17 analysis process, which includes the submission for review and
18 approval by the commissioner and the department and any
19 request for exemption from the implementation requirements, to
20 be completed prior to contracting for the construction or
21 renovation of a government facility.

22 This bill requires that the life cycle cost analysis be
23 implemented by the responsible public agency. In addition, it
24 allows for implementation exemptions for certain facilities
25 which meet criteria developed by the commissioner and the
26 department. Standards for the criteria must include, but are
27 not limited to a description of the purpose of the facility or
28 renovation, the preservation of historical architectural
29 features, site considerations, and health and safety concerns.

30 This bill also moves the energy research and development
31 fund into the energy conservation trust which makes abandoned
32 utility refunds and deposits subject to legislative
33 appropriation.

34 This bill also provides for the development and adoption of
35 efficiency standards for nonconsumer appliances, lighting,

1 exit signs, and plumbing products.

2 This bill requires the state motor vehicle dispatcher and
3 any other state agency purchasing motor vehicles beginning
4 July 1, 1991, to purchase vehicles with engines which utilize
5 ethanol fuel at a minimum of 10 percent of all the vehicles
6 purchased.

7 The bill establishes a midwest energy compact to study and
8 make recommendations regarding energy efficiency; requires the
9 department of agriculture and land stewardship to support
10 alternative energy demonstration projects on farms and to
11 establish an Iowa ethanol office in the department to
12 coordinate and initiate research and demonstration projects
13 related to ethanol; requires the Iowa energy center to develop
14 a competitive grants program for comprehensive, in-depth
15 community-wide projects to recover energy consumption and
16 enhance energy self-sufficiency, to develop an assistance
17 program to subsidize the costs of weatherization and other
18 energy efficiency efforts of rural residents, to conduct a
19 feasibility study for a "rail through rural Iowa" program, and
20 to expand consumer education regarding energy efficiency and
21 alternative energy systems; and requires the state department
22 of transportation to promote the efforts of political
23 subdivisions to develop public transit systems in rural areas,
24 to develop a bus subsidization program, to develop a vanpool
25 program, and to conduct a study of pedestrian accessibility in
26 new commercial development.

27 The bill also provides for a sales and use tax credit for
28 the purchase of fuel-efficient motor vehicles, requires each
29 gas and electric public utility to provide a credit to
30 businesses which implement a net energy savings plan, and
31 requires the department of management to conduct a pilot
32 project to provide for telecommuting for certain state
33 employees.

34 The bill may include a state mandate as defined in section
35 258.3.

*Revised***SENATE FILE 508
FISCAL NOTE**

A fiscal note for Senate File 508 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 508 relates to energy efficiency. The bill provides that the use tax paid on automobiles that have a miles per gallon rating greater than 10 miles above the average for all automobiles shall be returned to the purchaser. The bill also expands the list of public agencies eligible for financial assistance for energy conservation measures, requires the Department of Natural Resources (DNR) to establish efficiency standards for appliances, establishes an ethanol office in the Department of Agriculture and Land Stewardship (DALs), and defines the duties of the Iowa Energy Center at Iowa State University.

Assumptions:

1. Of the 74,000 vehicles fitting the vehicle definition under the bill, 2% (1,500) will meet the definition of fuel efficient.
2. The average use tax refunded to the purchaser of a fuel efficient automobile will be \$400.
3. The fiscal impact of the mandates relating to the Iowa Energy Center will be covered by the funding received by the Center from utility companies.

Fiscal Effect:

If 1,500 use tax refunds of \$400 each are given annually, the cost to the Road Use Tax Fund in lost revenue will be \$600,000 per year.

The DALs will need \$165,000 and 0.5 FTE position to establish and operate an ethanol research office. This funding is currently in both the Senate (SF 529) and the House (HF 479) Appropriations bills for the DALs. The DNR will need \$75,000 and 2.0 FTE positions to administer the portions of the bill requiring the development of appliance efficiency standards.

The fiscal impact of the changes in the entities entitled to financial assistance for energy improvements and in the life cycle cost analysis requirements cannot be determined. However, it can be projected that each of the 2 requirements will have negative short term fiscal impacts and positive long term fiscal impacts on state agencies and local governments. The short term impact will be due to increased capital outlays for energy improvements, while the long term impacts will be shown in energy savings.

Sources: Iowa Automobile Dealers Association, Department of Natural Resources
(LSB 1820sv, JWR)

FILED APRIL 3, 1991

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 508
FISCAL NOTE(REVISED)
REQUESTED BY SENATOR DRAKE

A fiscal note for Senate File 508 - Revised is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 508 relates to energy efficiency. The bill provides that the use tax paid on automobiles that have a miles per gallon rating greater than 10 miles above the average for all automobiles shall be returned to the purchaser. The bill also expands the list of public agencies eligible for financial assistance for energy conservation measures, requires the Department of Natural Resources (DNR) to establish efficiency standards for appliances, establishes an ethanol office in the Department of Agriculture and Land Stewardship (DALS), and defines the duties of the Iowa Energy Center at Iowa State University.

The original Fiscal Note for Senate File 508 computed the loss to the Road Use Tax Fund due to the refund of use tax to purchasers of certain fuel efficient cars based on new car purchases only. However, the bill actually is written to include both new and used cars in the refund program.

Assumptions:

1. Of the 74,000 new vehicles fitting the vehicle definition under the bill, 2% (1,500) will meet the definition of fuel efficient.
2. The average use tax refunded to the purchaser of a fuel efficient new automobile will be \$400.
3. 2% of the 450,000 annual used car sales will qualify for the refund (9,000).
4. Used car refunds will average \$110.
5. The fiscal impact of the mandates relating to the Iowa Energy Center will be covered by the funding received by the Center from utility companies.

Fiscal Effect:

If 1,500 use tax refunds of \$400 each are given for new car purchases annually, the cost to the Road Use Tax Fund in lost revenue will be \$600,000 per year.

If 9,000 use tax refunds of \$110 each are given for used car purchases annually, the cost to the Road Use Tax Fund in lost revenue will be \$1,000,000 per year.

The DALS will need \$165,000 and 0.5 FTE position to establish and operate an ethanol research office. This funding is currently in both the Senate (SF 529) and the House (HF 479) Appropriations bills for the DALS. The DNR will need \$75,000 and 2.0 FTE positions to administer the portions of the bill requiring

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the development of appliance efficiency standards.

The fiscal impact of the changes in the entities entitled to financial assistance for energy improvements and in the life cycle cost analysis requirements cannot be determined. However, it can be projected that each of the 2 requirements will have negative short term fiscal impacts and positive long term fiscal impacts on state agencies and local governments. The short term impact will be due to increased capital outlays for energy improvements, while the long term impacts will be shown in energy savings.

Sources:

Iowa Automobile Dealers Association
Department of Natural Resources
Department of Transportation

(LSB 1820sv.3, JWR)

FILED APRIL 8, 1991

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 508

S-3287

- 1 Amend Senate File 508 as follows:
- 2 1. Page 1, by striking lines 7 and 8 and
3 inserting the following: "equipped with engines which
4 utilize alternative methods of propulsion including
5 but not limited to those propelled by flexible fuels,
6 ethanol, solar energy, or electricity."
7 2. Page 1, line 14, by inserting after the word
8 "shall" the following: "develop rules criteria
9 which".
- 10 3. Page 2, by inserting after line 6, the
11 following:
12 "Notwithstanding the provisions of this section
13 directing that moneys be deposited into the energy
14 research and development fund, for the fiscal period
15 beginning July 1, 1991, and ending June 30, 1993, all
16 moneys shall be deposited into the general fund of the
17 state. There is appropriated annually from the
18 general fund of the state the sum of one hundred fifty
19 thousand dollars to be used for the purposes of this
20 section."
- 21 4. Page 7, line 35, by striking the word
22 "NONCONSUMER" and inserting the following:
23 "COMMERCIAL GRADE".
- 24 5. Page 8, line 6, by striking the words "fleet
25 averaging,".
- 26 6. Page 8, by striking lines 8 through 23, and
27 inserting the following: "promote the use of
28 commercial grade energy efficient appliances. The
29 minimum levels of operating efficiency shall be based
30 on feasible and attainable efficiencies or feasible
31 improved efficiencies not to exceed the most stringent
32 standard which has been adopted in any other state.
33 The department shall adopt standards which will not
34 result in additional total costs over the designed
35 life of the appliance for which a standard is adopted.
36 The standards shall become effective October 1, 1993.
37 A new appliance manufactured on or after October 1,
38 1993, shall not".
- 39 7. By striking page 8, line 27, through page 10,
40 line 17.
- 41 8. Page 10, line 22, by inserting after the word
42 "bulbs" the following: "or lighting of greater
43 efficiency".
- 44 9. Page 10, line 31, by inserting after the word
45 "feasible." the following: "The department shall
46 consult with the state building code commissioner and
47 shall review all applicable provisions under chapter
48 103A in establishing the standards."
- 49 10. Page 12, line 18, by striking the word
50 "violating" and inserting the following: "who

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Page 2

1 knowingly violates".

2 11. Page 12, line 20, by inserting after the word
3 "violation." the following: "Local government
4 subdivisions which enforce the standards adopted under
5 this section may collect and utilize receipts from the
6 penalties imposed for building code inspections and
7 enforcement of this section."

8 12. By striking page 17, line 22, through page
9 18, line 1.

10 13. Page 18, by striking lines 4 through 12.

11 14. Page 18, by striking line 14 and inserting
12 the following: "program to provide assistance to
13 rural residents for the".

14 15. Page 18, lines 15 and 16, by striking the
15 words "of rural residents".

16 16. Page 18, line 20, by inserting after the word
17 "intrastate" the following: "and interstate".

18 17. Page 18, line 21, by striking the words "of
19 the state".

20 18. Page 18, line 24, by inserting after the word
21 "program." the following: "Moneys collected pursuant
22 to sections 476.1A and 476.1B shall not be expended to
23 fulfill the requirements of this subsection."

24 19. Page 18, by striking lines 25 through 28, and
25 inserting the following:

26 "NEW SUBSECTION. 8. The Iowa energy center shall
27 cooperate with the state board of education".

28 20. Page 19, by inserting after line 12, the
29 following:

30 "NEW SUBSECTION. 14. Establish transit
31 accessibility impact guidelines by July 1, 1992, to be
32 used in evaluating proposals for the construction or
33 acquisition of publicly financed facilities.

34 NEW SUBSECTION. 15. Develop statistical measures
35 to ascertain the impact of public transit systems on
36 the minimization of motor vehicle accidents and
37 reduction in fuel utilization by July 1, 1992, and the
38 impact of public transit systems on the reduction of
39 hazardous emissions by July 1, 1993.

40 NEW SUBSECTION. 16. By July 1, 1992, create a
41 statewide transit services marketing steering
42 committee which includes providers, consumer
43 advocates, and public relations representatives. The
44 committee shall develop criteria for the evaluation of
45 the adequacy and public awareness of transit service
46 delivery by January 1, 1993."

47 21. Page 22, line 32, by inserting after the word
48 "plans." the following: "The cooperation shall
49 include assistance in accessing financial assistance
50 for energy efficiency measures."

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Page 3

- 1 22. By striking page 22, line 33, through page
- 2 23, line 3.
- 3 23. By renumbering, relettering, and correcting
- 4 internal references as necessary.

By RALPH ROSENBERG
PAT DELUHERY

S-3287 FILED APRIL 3, 1991

Adopted as amended by 3301 4/4 (p. 1050)

SENATE FILE 508

S-3233

1 Amend Senate File 508 as follows:

- 2 1. By striking page 19, line 13, through page 20,
- 3 line 7.
- 4 2. Title page, line 7, by inserting after the
- 5 word "products," the following: "and".
- 6 3. Title page, by striking lines 8 through 10 and
- 7 inserting the following: "related programs and
- 8 projects."

By COMMITTEE ON WAYS AND MEANS
WILLIAM W. DIELEMAN, Chairperson

S-3233 FILED MARCH 28, 1991

Placed o/c 4/4 (p. 1058)

SENATE FILE 508

S-3312

- 1 Amend Senate File 508 as follows:
2 1. Page 1, by striking lines 9 through 16.
3 2. By renumbering as necessary.

By MARY E. KRAMER
HARRY SLIFE

S-3312 FILED APRIL 4, 1991

~~RULED OUT OF ORDER~~ (p. 1050)

Placed

SENATE FILE 508

S-3342

- 1 Amend Senate File 508 as follows:
2 1. Page 10, line 31, by striking the words "For
3 the purposes of this section, "covered product".
4 2. By striking page 10, line 32 through page 12,
5 line 17.
6 3. By renumbering as necessary.

By MICHAEL E. GRONSTAL
RALPH ROSENBERG

PATRICK J. DELUHERY
PAUL D. PATE

S-3342 FILED APRIL 5, 1991

Adopted 4/9/91 (p. 151)

SENATE FILE 508

S-3290

- 1 Amend Senate File 508 as follows:
2 1. By striking page 19, line 13, through page 20,
3 line 7, and inserting the following:
4 "Sec. ____ . NEW SECTION. 321.20A FUEL-EFFICIENT
5 AUTOMOBILE PURCHASE -- CREDIT.
6 1. At the time of application for registration and
7 certificate of title under section 321.20, an
8 applicant shall be exempt from the payment of the
9 sales and use tax levied on the purchase of a fuel-
10 efficient motor vehicle if all of the following
11 conditions are met:
12 a. The purchase was made on or after July 1, 1991.
13 b. The applicant provides documentation of the
14 purchase of a fuel-efficient motor vehicle.
15 2. For the purposes of this section, "fuel-
16 efficient motor vehicle" means a motorized vehicle
17 designed primarily for carrying nine passengers or
18 less, excluding motorcycles and motorized bicycles,
19 for which the average fuel efficiency exceeds by at
20 least ten miles per gallon the average fuel economy
21 standard for the vehicle's model year as established
22 by the United States secretary of transportation under
23 15 U.S.C. § 2002.
24 3. There is transferred, annually, from the energy
25 efficiency account of the CLEAN fund created pursuant
26 to section 99E.10, to the road use tax fund an amount
27 which is equivalent to the amount of use tax for which
28 exemptions from payment were made under this section.
29 4. This section applies only to those fiscal years
30 for which moneys are appropriated to the energy
31 efficiency account of the CLEAN fund for the purposes
32 of this section."
33 2. By renumbering as necessary.

By RICHARD VARN
PAT DELUHERY
RALPH ROSENBERG

S-3290 FILED APRIL 3, 1991

House 4/4/91 (p. 1050)
Motion to reconsider (p. 1057) prevailed
Adopted 4/4 (p. 1058)

SENATE FILE 508

S-3301

- 1 Amend the amendment, S-3287, to Senate File 508, as
2 follows:
3 1. Page 2, by striking lines 21 and 22, and
4 inserting the following: "program." the following:
5 "Funding for the center derived from the assessment on
6 the revenues of utilities pursuant to section 476.10A
7 shall not be expended to"."

By RALPH ROSENBERG

S-3301 FILED APRIL 3, 1991

Adopted 4/4 (p. 1050)

**SENATE FILE 508
FISCAL NOTE**

A fiscal note for Senate File 508 as passed by the Senate is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 508 relates to energy efficiency. The bill provides that the use tax paid on automobiles that have a miles per gallon rating greater than 10 miles above the average for all automobiles shall be returned to the purchaser. However, the tax credit is not available unless an appropriation is made. The bill also expands the list of public agencies eligible for financial assistance for energy conservation measures, requires the Department of Natural Resources (DNR) to establish efficiency standards for appliances, defines the duties of the Iowa Energy Center at Iowa State University, requires the Department of Transportation to conduct a study and to provide interest-free loans for vanpools, and re-establishes the Energy Research and Development Fund in the State Treasury.

Fiscal Effect:

The DNR will need \$75,000 and 2.0 FTE positions to administer the portions of the bill requiring the development of appliance efficiency standards.

The fiscal impact of the changes in the entities entitled to financial assistance for energy improvements and in the life cycle cost analysis requirements cannot be determined. However, it can be projected that each of the 2 requirements will have negative short term fiscal impacts and positive long term fiscal impacts on state agencies and local governments. The short term impact will be due to increased capital outlays for energy improvements, while the long term impacts will be shown in energy savings.

If funded, the use tax credit for fuel efficient cars could cost the Committing the Lottery to the Environment, Agriculture, and Natural Resources (CLEAN) Fund \$1,600,000.

The Department of Transportation will need additional funds and FTE positions to implement the added responsibilities and the interest-free loan provisions of the bill. However, an estimate of the fiscal impact on that Department cannot be determined at this time, as the scope of the programs is not specified in the bill. Any costs incurred will impact the Road Use Tax Fund.

The effect on the Regents institutions is estimated to be approximately \$240,000 in one-time capital outlays, with a minimal annual cost. The Regents identify technical defects in the bill that relate to mandating one type of energy conservation technology when another, more efficient technology may be available.

Sources: Iowa Automobile Dealers Association, Department of Natural Resources

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(LSB 1820sv.4. JWR)

FILED APRIL 24, 1991

BY DENNIS PROCTY, FISCAL DIRECTOR

1 Section 1. Section 18.115, Code 1991, is amended by adding
2 the following new subsection:

3753 NEW SUBSECTION. 4A. Of all new motor vehicles purchased
4 by the state vehicle dispatcher and any other state agency
5 purchasing new motor vehicles, beginning July 1, 1991, a
6 minimum of ten percent of the vehicles purchased shall be
7 equipped with engines which utilize alternative methods of
8 propulsion including but not limited to those propelled by
9 flexible fuels, ethanol, solar energy, or electricity.

3636 10 Sec. 2. NEW SECTION. 73.22 PREFERENCE -- STATE
11 ASSISTANCE -- ENERGY EFFICIENCY-RELATED BUSINESS.

12 Every agency, department, commission, board, committee,
13 officer, or other governing body of the state, in the awarding
14 of any type of financial assistance to businesses in the
15 state, shall develop rules criteria which give preference to
16 those businesses which are involved in recycling, the
17 development of alternative fuels, or energy efficiency.

18 Sec. 3. Section 93.11, subsection 1, paragraph d, Code
19 1991, is amended to read as follows:

20 d. Unless prohibited by the conditions applying to a
21 settlement, the petroleum overcharge moneys in the energy
22 conservation trust may be used for the payment of attorney
23 fees and expenses incurred by the state to obtain the moneys
24 and shall be paid by the director of revenue and finance from
25 the available moneys in the trust subject to the approval of
26 the attorney general.

27 Sec. 4. Section 93.11, subsection 1, Code 1991, is amended
28 by adding the following new paragraph:

29 NEW PARAGRAPH. f. The moneys deposited in the energy
30 research and development fund shall be used for research and
31 development of selected projects to improve Iowa's energy
32 independence by developing improved methods of energy
33 efficiency, or by increased development and use of Iowa's
34 renewable nonresource-depleting energy resources. The moneys
35 credited to the fund under section 556.18 shall be used for

1 energy conservation and alternative energy resource projects.
2 The projects shall be selected by the director and
3 administered by the department. Selection criteria for funded
4 projects shall include consideration of indirect restitution
5 to those persons in the state in the utility customer classes
6 and the utility service territories affected by unclaimed
7 utility refunds or deposits.

8 Notwithstanding the provisions of this section directing
9 that moneys be deposited into the energy research and
10 development fund, for the fiscal period beginning July 1,
11 1991, and ending June 30, 1993, all moneys shall be deposited
12 into the general fund of the state. There is appropriated
13 annually from the general fund of the state the sum of one
14 hundred fifty thousand dollars to be used for the purposes of
15 this section.

16 Sec. 5. Section 93.11, subsection 5, Code 1991, is amended
17 by adding the following new paragraph:

18 NEW PARAGRAPH. f. The energy research and development
19 fund.

20 Sec. 6. Section 93.11, subsection 6, Code 1991, is amended
21 to read as follows:

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

33 Sec. 7. Section 93.13A, Code 1991, is amended to read as
34 follows:

35 93.13A ENERGY CONSERVATION MEASURES IDENTIFIED AND

1 IMPLEMENTED.

2 The state, state agencies, political subdivisions of the
3 state, ~~schools~~ school districts, area education agencies, and
4 community colleges shall identify and implement, through
5 energy audits and engineering analyses, all energy
6 conservation measures identified for which financing is made
7 available by the department to the entity. The energy
8 conservation measure financings shall be supported through
9 payments from energy savings.

10 The department shall not require a school district, ~~area~~
11 ~~school~~ community college, area education agency, city, or
12 county to perform an engineering analysis if the school
13 district, community college, area education agency, city, or
14 county demonstrates to the department that the facility which
15 is the subject of the proposed engineering analysis at issue
16 is unlikely to be in use or operation in six years by the
17 governmental entity currently using or occupying the facility.

18 Sec. 8. Section 93.19, Code 1991, is amended to read as
19 follows:

20 93.19 ENERGY BANK PROGRAM.

21 The energy bank program is established by the department.
22 The energy bank program consists of the following forms of
23 assistance for ~~school-districts,-area-education-agencies,-~~
24 ~~cities,-counties,-and-community-colleges~~ the state, state
25 agencies, political subdivisions of the state, school
26 districts, area education agencies, community colleges, and
27 nonprofit organizations:

28 1. Providing moneys from the petroleum overcharge fund for
29 conducting energy audits for school districts under section
30 279.44 for conducting comprehensive engineering analyses for
31 school districts and for conducting energy audits and
32 comprehensive engineering analyses for state agencies, and
33 political subdivisions of the state.

34 2. Providing loans, leases, and other methods of
35 alternative financing from the energy loan fund established in

1 section 93.20 and section 93.20A for ~~school-districts,~~
2 ~~community-colleges,-area-education-agencies,-cities-and~~
3 ~~counties~~ the state, state agencies, political subdivisions of
4 the state, school districts, area education agencies,
5 community colleges, and nonprofit organizations to implement
6 energy conservation measures.

7 3. Serving as a source of technical support for energy
8 conservation management.

9 4. Providing assistance for obtaining insurance on the
10 energy savings expected to be realized from the implementation
11 of energy conservation measures.

12 5. Providing self-liquidating financing for ~~school~~
13 ~~districts,-community-colleges,-area-education-agencies,~~
14 ~~cities,-and-counties,~~ the state, state agencies, political
15 subdivisions of the state, school districts, area education
16 agencies, community colleges, and nonprofit organizations
17 pursuant to section 93.20A.

18 For the purpose of this section, section 93.20, and section
19 93.20A, "energy conservation measure" means construction,
20 rehabilitation, acquisition, or modification of an
21 installation in a ~~building~~ facility or vehicle which is
22 intended to reduce energy consumption, or energy costs, or
23 both, or allow the use of an alternative energy source, which
24 may contain integral control and measurement devices.

25 "Nonprofit organization" means an organization exempt from
26 federal income taxation under section 501(c)(3) of the
27 Internal Revenue Code.

28 Sec. 9. Section 93.20, Code 1991, is amended to read as
29 follows:

30 93.20 ENERGY LOAN FUND.

31 An energy loan fund is established in the office of the
32 treasurer of state to be administered by the department.

33 1. The department may make loans to ~~school-districts,~~
34 ~~community-colleges,-area-education-agencies,-cities,-and~~
35 ~~counties~~ the state, state agencies, political subdivisions of

1 the state, school districts, area education agencies,
2 community colleges, and nonprofit organizations for
3 implementation of energy conservation measures identified in a
4 comprehensive engineering analysis. Loans shall not be made
5 for energy conservation measures that require more than an
6 average of six years for the ~~school-district, community~~
7 ~~college, area-education-agency, city-and-county~~ state, state
8 agency, political subdivision of the state, school district,
9 area education agency, community college, or nonprofit
10 organization as an entity to recoup the actual or projected
11 cost of construction and acquisition of the improvements; and
12 cost of the engineering plans and specifications. For a
13 ~~school-district, community-college, area-education-agency,~~
14 ~~city-or-county~~ the state, state agencies, political
15 subdivisions of the state, school districts, area education
16 agencies, community colleges, and nonprofit organizations to
17 receive a loan from the fund, the department shall require
18 completion of an energy management plan including an energy
19 audit and a comprehensive engineering analysis. The
20 department shall approve loans made under this section.

21 2. Cities and counties shall repay the loans from moneys
22 in their debt service funds. Area education agencies shall
23 repay the loans from any moneys available to them.

24 School districts and community colleges may enter into
25 financing arrangements with the department or its duly
26 authorized agents or representatives obligating the school
27 district or community college to make payments on the loans
28 beyond the current budget year of the school district or
29 community college. Chapter 75 shall not be applicable.
30 School districts shall repay the loans from moneys in either
31 their general fund or schoolhouse fund. Community colleges
32 shall repay the loans from their general fund. Other entities
33 receiving loans under this section shall repay the loans from
34 any moneys available to them.

35 3. The department may accept gifts, federal funds, state

1 appropriations, and other moneys for deposit in the energy
2 loan fund or may fund the energy loan fund in accordance with
3 section 93.20A.

4 4. For the purpose of this section, "loans" means loans,
5 leases, or alternative financing arrangements.

6 5. ~~A-school-district, community-college, area-education~~
7 ~~agency, city, or county~~ The state, state agencies, political
8 subdivisions of the state, school districts, area education
9 agencies, and community colleges shall design and construct
10 the most energy cost-effective facilities feasible and shall
11 use the financing made available by the department to cover
12 the incremental costs above minimum building code energy
13 efficiency standards of purchasing energy efficient devices
14 and materials unless other lower cost financing is available.
15 As used in this section, "facility" means a structure that is
16 heated or cooled by a mechanical or electrical system, or any
17 system of physical operation that consumes energy to carry out
18 a process.

19 6. The department shall not require ~~a-school-district,~~
20 ~~community-college, area-education-agency, city, or county~~ the
21 state, state agencies, political subdivisions of the state,
22 school districts, area education agencies, and community
23 colleges to implement a specific energy conservation measure
24 identified in a comprehensive engineering analysis if the
25 ~~political-subdivision~~ entity which prepared the analysis
26 demonstrates to the department that the facility which is the
27 subject of the energy conservation measure is unlikely to be
28 used or operated for the full period of the expected payback
29 of the energy conservation measure.

30 Sec. 10. Section 93.20A, Code 1991, is amended to read as
31 follows:

32 93.20A SELF-LIQUIDATING FINANCING.

33 1. The department of natural resources may enter into
34 financing agreements with ~~school-districts, community~~
35 ~~colleges, area-education-agencies, cities, or counties~~ the

1 state, state agencies, political subdivisions of the state,
2 school districts, area education agencies, community colleges,
3 or nonprofit organizations in order to provide the financing
4 to pay the costs of furnishing energy conservation measures.
5 The provisions of section 93.20 defining eligible energy
6 conservation measures and the method of repayment of the loans
7 apply to financings under this section.

8 The financing agreement may contain provisions, including
9 interest, term, and obligations to make payments on the
10 financing agreement beyond the current budget year, as may be
11 agreed upon between the department of natural resources and
12 ~~the school district, community college, area education agency,~~
13 ~~city or county~~ the state, state agencies, political
14 subdivisions of the state, school districts, area education
15 agencies, community colleges, or nonprofit organizations.

16 2. For the purpose of funding its obligation to furnish
17 moneys under the financing agreements, or to fund the energy
18 loan fund created in section 93.20, the treasurer of state,
19 with the assistance of the department of natural resources, or
20 the treasurer of state's duly authorized agents or
21 representatives, may incur indebtedness or enter into master
22 lease agreements or other financing arrangements to borrow to
23 accomplish energy conservation measures, or the department of
24 natural resources may enter into master lease agreements or
25 other financing arrangements to permit ~~school districts, area~~
26 ~~education agencies, community colleges, cities or counties~~
27 the state, state agencies, political subdivisions of the
28 state, school districts, area education agencies, community
29 colleges, or nonprofit organizations to borrow sufficient
30 funds to accomplish the energy conservation measure. The
31 obligations may be in such form, for such term, bearing such
32 interest and containing such provisions as the department of
33 natural resources, with the assistance of the treasurer of
34 state, deems necessary or appropriate. Funds remaining after
35 the payment of all obligations have been redeemed shall be

1 paid into the energy loan fund.

2 3. ~~School-districts, community-colleges, area-education~~
3 ~~agencies, cities, or counties~~ The state, state agencies,
4 political subdivisions of the state, school districts, area
5 education agencies, community colleges, and nonprofit
6 organizations may enter into financing agreements and issue
7 obligations necessary to carry out the provisions of the
8 chapter. Chapter 75 shall not be applicable.

9 Sec. 11. NEW SECTION. 93.41 COMMERCIAL GRADE APPLIANCES
10 AND EQUIPMENT -- STANDARDS.

3636 11 The department shall adopt rules, pursuant to chapter 17A,
12 to establish standards for minimum levels of operating
13 efficiency, based on a reasonable use pattern, and may
14 prescribe other cost-effective measures, including incentive
*15 programs, energy consumption labeling not preempted by federal
16 labeling, and education programs, to promote the use of
17 commercial grade energy efficient appliances. The minimum
18 levels of operating efficiency shall be based on feasible and
19 attainable efficiencies or feasible improved efficiencies not
20 to exceed the most stringent standard which has been adopted
21 in any other state. The department shall adopt standards
22 which will not result in additional total costs over the
23 designed life of the appliance for which a standard is
24 adopted. The standards shall become effective October 1,
25 1993. A new appliance manufactured on or after October 1,
26 1993, shall not be sold or offered for sale in this state,
27 unless it is certified by the manufacturer to be in compliance
28 with the standard adopted by the department for that
29 appliance.

*30 Sec. 12. NEW SECTION. 93.43 EXIT SIGNS -- STANDARDS.

31 The department shall adopt rules which require the use of
32 compact fluorescent bulbs in exit signs. Prior to the
33 adoption of rules, the department shall promote, through
34 educational materials, the use of compact fluorescent bulbs or
35 lighting of greater efficiency in exit signs.

1 Sec. 13. NEW SECTION. 93.44 PLUMBING PRODUCTS EFFICIENCY
2 STANDARDS.

3 1. The department shall adopt rules which prescribe water
4 use standards for each product classified as a covered product
5 under this section. The standards adopted shall be designed
6 to achieve the maximum efficiency of water use which the
7 department determines is technologically and economically
8 feasible. The department shall consult with the state
9 building code commissioner and shall review all applicable
10 provisions under chapter 103A in establishing the standards.

* 11 2. A person who knowingly violates this section is subject
12 to a civil penalty of not more than one hundred dollars for
13 each violation. Local government subdivisions which enforce
14 the standards adopted under this section may collect and
15 utilize receipts from the penalties imposed for building code
16 inspections and enforcement of this section.

17 Sec. 14. NEW SECTION. 93A.1 MIDWEST ENERGY COMPACT.

18 The midwest energy compact is enacted into law and entered
19 into with all other states which legally join in the compact
20 in substantially the following form:

21 INTERSTATE COMPACT ON ENERGY

22 ARTICLE I -- PURPOSE

23 It is the purpose of this compact to protect, preserve, and
24 enhance:

25 a. The economic and general welfare of citizens of the
26 joining states by increasing energy efficiency and energy
27 independence.

28 b. The economies and very existence of local communities
29 in such states, the economies of which are dependent upon
30 imported energy sources.

31 ARTICLE II -- COMMISSION

32 a. Organization and management

33 1. There is hereby created an agency of the member states
34 to be known as the interstate midwest energy commission,
35 hereinafter called the commission. The commission shall

1 consist of three residents of each member state who shall have
2 a background in energy efficiency and who shall be appointed
3 as follows: One member appointed by the governor, who shall
4 serve at the pleasure of the governor; one senator appointed
5 in the manner prescribed by the senate of the state, except
6 that in Iowa the appointment shall be made by the president of
7 the senate, after consultation with the majority leader and
8 the minority leader of the senate, and except that two
9 senators may be appointed by the governor of the state of
10 Nebraska from the unicameral legislature of the state of
11 Nebraska; and one member of the house of representatives
12 appointed in the manner prescribed by the house of
13 representatives of the state. The member first appointed by
14 the governor shall serve for a term of one year and the
15 senator and representative first appointed shall each serve
16 for a term of two years. Thereafter all members appointed
17 shall serve for two-year terms. The attorneys general of
18 member states or assistants designated by the attorneys
19 general shall be nonvoting members of the commission.

20 2. Each member shall be entitled to one vote. A member
21 must be present to vote and no voting by proxy shall be
22 permitted. The commission shall not act unless a majority of
23 the voting members are present, and no action shall be binding
24 unless approved by a majority of the total number of voting
25 members present.

26 3. The commission shall be a body corporate of each member
27 state and shall adopt an official seal to be used as it may
28 provide.

29 4. The commission shall hold an annual meeting and other
30 regular meetings as its bylaws may provide and special
31 meetings as its executive committee may determine. The
32 commission bylaws shall specify the dates of the annual and
33 any other regular meetings, and shall provide for the giving
34 of notice of annual, regular, and special meetings. Notices
35 of special meetings shall include the reasons therefor and an

1 agenda of the items to be considered.

2 5. The commission shall elect annually, from among its
3 voting members, a chairperson, a vice chairperson, and a
4 treasurer. The commission shall appoint an executive director
5 who shall serve at its pleasure, and shall fix the duties and
6 compensation of the director. The executive director shall be
7 secretary of the commission. The commission shall make
8 provision for the bonding of those of its officers and
9 employees as it may deem appropriate.

10 6. Irrespective of the civil service, personnel, or other
11 merit system laws of any member state, the executive director
12 shall appoint or discharge personnel as may be necessary for
13 the performance of the functions of the commission and shall
14 fix, with the approval of the commission, their duties and
15 compensation. The commission bylaws shall provide for
16 personnel policies and programs. The commission may establish
17 and maintain, independently of or in conjunction with any one
18 or more of the member states, a suitable retirement system for
19 its full-time employees. Employees of the commission shall be
20 eligible for social security coverage in respect of old age
21 and survivors insurance provided that the commission takes
22 steps as may be necessary pursuant to federal law to
23 participate in the program of insurance as a governmental
24 agency or unit. The commission may establish and maintain or
25 participate in additional programs of employee benefits as may
26 be appropriate. The commission may borrow, accept, or
27 contract for the services of personnel from any state, the
28 United States, or any other governmental entity.

29 7. The commission may accept for any of its purposes and
30 functions any and all donations and grants of money,
31 equipment, supplies, materials, and services, conditional or
32 otherwise, from any governmental entity, and may utilize and
33 dispose of the same.

34 8. The commission may establish one or more offices for
35 the transacting of its business.

1 9. The commission shall adopt bylaws for the conduct of
2 its business. The commission shall publish its bylaws in
3 convenient form, and shall file a copy of the bylaws and any
4 amendments thereto with the appropriate agency or officer in
5 each of the member states.

6 10. The commission annually shall make to the governor and
7 legislature of each member state a report covering its
8 activities for the preceding year. Any donation or grant
9 accepted by the commission or services borrowed shall be
10 reported in the annual report of the commission, and shall
11 include the nature, amount, and conditions, if any, of the
12 donation, gift, grant, or services borrowed and the identity
13 of the donor or lender. The commission may make additional
14 reports as it may deem desirable.

15 b. Committees

16 1. The commission may establish committees from its
17 membership as its bylaws may provide for the carrying out of
18 its functions.

19 ARTICLE III -- POWERS AND DUTIES OF COMMISSION

20 a. The commission shall conduct comprehensive and
21 continuing studies and investigations of energy efficiency
22 measures and their relationship to and effect upon the
23 citizens and economies of the member states.

24 b. The commission shall make recommendations for the
25 correction of weaknesses and solutions to problems in present
26 energy efficiency measures or the development of alternatives
27 thereto, including the development, drafting, and
28 recommendation of proposed state or federal legislation.

29 c. The commission is hereby authorized to do all things
30 necessary and incidental to the administration of its
31 functions under this compact.

32 ARTICLE IV -- FINANCE

33 a. The commission shall submit to the governor of each
34 member state a budget of its estimated expenditures for the
35 period required by the laws of that state for presentation to

1 the legislature of that state.

2 b. The moneys necessary to finance the general operations
3 of the commission not otherwise provided for in carrying forth
4 its duties, responsibilities, and powers as stated herein
5 shall be appropriated to the commission by the member states,
6 when authorized by the respective legislatures.

7 Appropriations by member states for the financing of the
8 operations of the commission in the initial biennium of the
9 compact shall be in the amount of fifty thousand dollars for
10 each member state. Thereafter the total amount of
11 appropriations requested shall be apportioned among the member
12 states in the manner determined by the commission. Failure of
13 a member state to provide its share of financing is cause for
14 the state to lose its membership in the compact.

15 c. The commission shall not incur any obligations of any
16 kind prior to the making of appropriations adequate to meet
17 the same, nor shall the commission pledge the credit of any of
18 the member states, except by and with the authority of the
19 member state.

20 d. The commission shall keep accurate accounts of all
21 receipts and disbursements. The receipts and disbursements of
22 the commission shall be subject to the audit and accounting
23 procedures established under its bylaws. However, all
24 receipts and disbursements of funds handled by the commission
25 shall be audited yearly by a certified or licensed public
26 accountant and the report of the audit shall be included in
27 and become part of the annual report of the commission.

28 e. The accounts of the commission shall be open for
29 inspection at any reasonable time.

30 ARTICLE V -- ELIGIBLE PARTIES, ENTRY INTO FORCE,
31 WITHDRAWAL, AND TERMINATION

32 a. Any state contiguous to Iowa may become a member of
33 this compact.

34 b. This compact shall become effective initially when
35 enacted into law by any five states and in additional states

1 upon their enactment of the same into law.

2 c. Any member state may withdraw from this compact by
3 enacting a statute repealing the compact, but such withdrawal
4 shall not become effective until one year after the enactment
5 of the repealing statute and the notification of the
6 commission thereof by the governor of the withdrawing state.
7 A withdrawing state shall be liable for any obligations which
8 it incurred on account of its membership up to the effective
9 date of withdrawal, and if the withdrawing state has
10 specifically undertaken or committed itself to any performance
11 of an obligation extending beyond the effective date of
12 withdrawal, it shall remain liable to the extent of that
13 obligation.

14 d. This compact shall terminate one year after the
15 notification of withdrawal by the governor of any member state
16 which reduces the total membership in the compact to less than
17 five states.

*18 Sec. 15. Section 266.39C, Code 1991, is amended by adding
19 the following new subsections:

3436 *20 NEW SUBSECTION. 6. The Iowa energy center shall develop a
21 program to provide assistance to rural residents for the costs
*22 of weatherization and other energy efficiency efforts.

3783 23 NEW SUBSECTION. 7. The Iowa energy center, in cooperation
24 with the state department of transportation, shall conduct a
25 feasibility study of the development and implementation of a
26 "rail through rural Iowa" program to provide intrastate and
*27 interstate rail connections between rural and urban areas.
28 The center shall submit a report to the governor and the
29 general assembly by January 1992 regarding the feasibility of
30 such a program. Funding for the center derived from the
31 assessment on the revenues of utilities pursuant to section
32 476.10A shall not be expended to fulfill the requirements of
33 this subsection.

34 NEW SUBSECTION. 8. The Iowa energy center shall cooperate
35 with the state board of education in developing a curriculum

1 which promotes energy efficiency and conservation.

2 Sec. 16. Section 307.10, Code 1991, is amended by adding
3 the following new subsections:

4 NEW SUBSECTION. 8. Promote the efforts of political
5 subdivisions in developing energy efficient public transit
6 systems including bus and rail systems.

7 NEW SUBSECTION. 9. Promote the development of rural bus
8 systems.

9 NEW SUBSECTION. 10. Develop and implement a bus system
10 subsidization program.

3436 >
3793 11 NEW SUBSECTION. 11. Develop a vanpool program and act as
12 a resource and referral source for vanpoolers in the state.

13 NEW SUBSECTION. 12. Develop and implement an interest-
14 free loan program to provide financial assistance to persons
15 owning and operating vanpool businesses in the state.

16 NEW SUBSECTION. 13. Conduct a comprehensive
17 transportation planning study to examine pedestrian
18 accessibility in new commercial development.

19 NEW SUBSECTION. 14. Establish transit accessibility
20 impact guidelines by July 1, 1992, to be used in evaluating
21 proposals for the construction or acquisition of publicly
22 financed facilities.

23 NEW SUBSECTION. 15. Develop statistical measures to
24 ascertain the impact of public transit systems on the
25 minimization of motor vehicle accidents and reduction in fuel
26 utilization by July 1, 1992, and the impact of public transit
27 systems on the reduction of hazardous emissions by July 1,
28 1993.

29 NEW SUBSECTION. 16. By July 1, 1992, create a statewide
30 transit services marketing steering committee which includes
31 providers, consumer advocates, and public relations
32 representatives. The committee shall develop criteria for the
33 evaluation of the adequacy and public awareness of transit
34 service delivery by January 1, 1993.

35 Sec. 17. NEW SECTION. 321.20A FUEL-EFFICIENT AUTOMOBILE

1 PURCHASE -- CREDIT.

2 1. At the time of application for registration and
3 certificate of title under section 321.20, an applicant shall
4 be exempt from the payment of the sales and use tax levied on
5 the purchase of a fuel-efficient motor vehicle if all of the
6 following conditions are met:

- 7 a. The purchase was made on or after July 1, 1991.
8 b. The applicant provides documentation of the purchase of
9 a fuel-efficient motor vehicle.

10 2. For the purposes of this section, "fuel-efficient motor
11 vehicle" means a motorized vehicle designed primarily for
12 carrying nine passengers or less, excluding motorcycles and
13 motorized bicycles, for which the average fuel efficiency
14 exceeds by at least ten miles per gallon the average fuel
15 economy standard for the vehicle's model year as established
16 by the United States secretary of transportation under 15
17 U.S.C. § 2002.

18 3. There is transferred, annually, from the energy
19 efficiency account of the CLEAN fund created pursuant to
20 section 99E.10, to the road use tax fund an amount which is
21 equivalent to the amount of use tax for which exemptions from
22 payment were made under this section.

23 4. This section applies only to those fiscal years for
24 which moneys are appropriated to the energy efficiency account
25 of the CLEAN fund for the purposes of this section.

26 Sec. 18. Section 470.1, subsections 1 and 2, Code 1991,
27 are amended to read as follows:

28 1. "Public agency" means a county, city, school district,
29 school corporation or combination thereof or an executive
30 board, commission, bureau, division, office or department of
31 the state agency, political subdivision of the state, school
32 district, area education agency, or community college.

33 2. "Facility" means a building having twenty thousand
34 square feet or more of usable floor space that is heated or
35 cooled by a mechanical or electrical system or any building,

1 system, or physical operation which consumes more than forty
2 thousand British thermal units (BTUs) per square foot per
3 year.

4 Sec. 19. Section 470.1, Code 1991, is amended by adding
5 the following new subsections:

6 NEW SUBSECTION. 8. "Commissioner" means the state
7 building code commissioner.

8 NEW SUBSECTION. 9. "Department" means the department of
9 natural resources.

10 NEW SUBSECTION. 10. "Director" means the director of the
11 department of natural resources.

12 Sec. 20. Section 470.3, subsection 2, Code 1991, is
13 amended to read as follows:

14 2. A public agency or a person preparing a life cycle cost
15 analysis for a public agency shall consider the methods and
16 analytical models provided by the department of ~~natural~~
17 ~~resources~~ and available through the ~~state-building-code~~
18 commissioner, which are suited to the purpose for which the
19 project is intended. Within sixty days of final selection of
20 a design architect or engineer, a public agency, which is also
21 a state agency under section 19.34, shall notify the ~~state~~
22 ~~building-code~~ commissioner and the department of ~~natural~~
23 ~~resources~~ of the methodology to be used to perform the life
24 cycle cost analysis on forms provided by the department of
25 ~~natural-resources~~.

26 Sec. 21. Section 470.7, Code 1991, is amended to read as
27 follows:

28 470.7 LIFE CYCLE COST ANALYSIS -- APPROVAL.

29 The public agency responsible for the new construction or
30 renovation of a public facility shall submit a copy of the
31 life cycle cost analysis for review by the ~~state-building-code~~
32 commissioner who shall consult with the department of ~~natural~~
33 ~~resources~~. If the public agency is also a state agency under
34 section 19.34, comments by the department of ~~natural-resources~~
35 or the ~~state-building-code~~ commissioner, including any

1 recommendation for changes in the analysis, shall, within
2 thirty days of receipt of the analysis, be forwarded in
3 writing to the public agency. If either the department or the
4 commissioner disagrees with any aspects of the life cycle cost
5 analysis, the public agency affected shall timely respond in
6 writing to the ~~state-building-code~~ commissioner and the
7 ~~department of-natural-resources~~. The response shall indicate
8 whether the agency intends to implement the recommendations
9 and, if the agency does not intend to implement them, the
10 public agency shall present its reasons. The reasons may
11 include, but are not limited to, a description of the purpose
12 of the facility or renovation, preservation of historical
13 architectural features, architectural and site considerations,
14 and health and safety concerns.

15 Within thirty days of receipt of the response of the public
16 agency affected, the department, the commissioner, or both,
17 shall notify in writing the public agency affected of the
18 department's, the commissioner's, or both's agreement or
19 disagreement with the response. In the event of a
20 disagreement, the department, the commissioner, or both, shall
21 at the same time transmit the notification of disagreement
22 with response and related papers to the executive council for
23 resolution pursuant to section 19.34. The life cycle cost
24 analysis process, including submittal and approval, and
25 implementation exemption requests pursuant to section 470.8,
26 shall be completed prior to the letting of contracts for the
27 construction or renovation of a facility.

28 Sec. 22. NEW SECTION. 470.8 LIFE CYCLE COST ANALYSIS --
29 IMPLEMENTATION AND EXEMPTIONS.

30 The public agency responsible for the new construction or
31 renovation of a public facility shall implement the
32 recommendations of the life cycle cost analysis.

33 The commissioner, in consultation with the director, shall,
34 by rule, develop criteria to exempt facilities from the
35 implementation requirements of this section. Using the

1 criteria, the commissioner, in cooperation with the director,
2 shall exempt facilities on a case by case basis. Factors to
3 be considered when developing the exemption criteria shall
4 include, but not be limited to a description of the purpose of
5 the facility or renovation, the preservation of historical
6 architectural features, site considerations, and health and
7 safety concerns. The commissioner and the director shall
8 grant or deny a request for exemption from the requirements of
9 this section within thirty days of receipt of the request.

10 Sec. 23. Section 476.6, subsection 19, Code 1991, is
11 amended by adding the following new paragraph:

3632 12 NEW PARAGRAPH. g. A rate-regulated utility required to
13 submit an energy efficiency plan under this subsection shall
14 cooperate with state agencies and political subdivisions in
15 developing and implementing the plans. The cooperation shall
16 include assistance in accessing financial assistance for
17 energy efficiency measures.

36367 18 Sec. 24. Section 556.18, subsection 3, Code 1991, is
19 amended to read as follows:

20 3. After July 1, 1988, the treasurer of state shall
21 annually credit ~~the first one hundred fifty thousand dollars~~
22 ~~of all moneys received under section 556.4 to the energy~~
23 ~~research and development fund created under section 93:147 and~~
24 ~~shall credit all additional moneys received under section~~
25 ~~556.4 to the energy crisis fund created under section 601K:102~~
26 established in the energy conservation trust under section
27 93.11.

28 Sec. 25. Section 601K.102, subsection 2, paragraph b, Code
29 1991, is amended by striking the paragraph.

30 Sec. 26. TELECOMMUTING PILOT PROJECT -- STATE EMPLOYEES.

3753, 3769 31 The department of management, in cooperation with the
32 department of natural resources, division of energy and
33 geological resources, shall conduct a pilot project to
34 implement telecommuting as an alternative for state employees,
35 including but not limited to those whose primary duties and

1 services are typically performed by phone or upon a computer,
2 and who currently have access to a computer or other
3 telecommunication equipment at work. The department of
4 management shall submit a report of the progress of the pilot
5 project to the general assembly by January 15, 1992.

34327

6 Sec. 27. Section 93.14, Code 1991, is repealed.

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SENATE FILE 508

H-3636

1 Amend Senate File 508, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 9, by inserting after the word
4 "electricity." the following: "This subsection does
5 not apply to vehicles purchased for law enforcement
6 purposes."

7 2. Page 1, by striking lines 10 through 17.

8 3. Page 8, by striking lines 19 through 21, and
9 inserting the following: "attainable efficiencies or
10 feasible improved efficiencies. The department shall
11 adopt standards".

12 4. Page 14, lines 21 and 22, by striking the
13 words "the costs of weatherization and other".

14 5. Page 15, by inserting after line 10 the
15 following:

16 "NEW SUBSECTION. 10A. Develop an employee transit
17 subsidy program financed with funds from the repayment
18 of transit assistance loans pursuant to section
19 307.38."

20 6. By striking Page 15, line 35, through page 16,
21 line 25.

22 7. Page 19, by striking lines 14 and 15 and
23 inserting the following: ", upon the request of a
24 state agency or political subdivision to which it
25 provides service, provide advice and assistance
26 regarding measures which the state agency or political
27 subdivision might take in achieving improved energy
28 efficiency results. The cooperation shall".

29 8. Page 19, by inserting after line 17, the
30 following:

31 "Sec. ____ . Section 476.10A, Code 1991, is amended
32 by adding the following new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
34 8.33, any unexpended moneys remitted to the treasurer
35 of state under this section shall be retained for the
36 purposes designated. Notwithstanding section 453.7,
37 subsection 2, interest or earnings on investments or
38 time deposits of the moneys remitted under this
39 section shall be retained and used for the purposes
40 designated."

41 9. Page 20, by inserting after line 6 the
42 following:

43 "Sec. ____ . 1990 Iowa Acts, chapter 1252, section
44 49, subsection 1, unnumbered paragraph 1, is amended
45 to read as follows:

46 The state department of transportation, in
47 consultation with units of local government, including
48 representatives of cities of 200,000 or more
49 population, cities of 50,000 or more but less than
50 200,000 population, and cities under 50,000

H-3636

Page 2

1 population, shall conduct, ~~conditioned upon the~~
2 ~~availability of funds~~, a comprehensive study of the
3 relationship between transportation planning, systems
4 development, and management to urban and rural
5 development, land use planning, and energy demand.
6 The study shall include an analysis of the
7 relationship between parking development and pricing
8 structure and transit usage and shall include an
9 analysis of the relationship between commercial and
10 industrial site selection and transportation energy
11 consumption. The purpose of the study shall be to
12 identify opportunities to improve the long-term energy
13 efficiency of transportation, as well as to improve
14 traffic safety and service. The results of the study
15 shall be reported to the general assembly and shall
16 contain recommended policies and legislation."
17 10. Title page, by striking lines 7 through 10
18 and inserting the following: "for certain products
19 and establishing various energy efficiency-related
20 programs and projects."
21 11. By renumbering, relettering, and correcting
22 internal references as necessary.

By COMMITTEE ON ENERGY AND
ENVIRONMENTAL PROTECTION
OSTERBERG of Linn, Chairperson

H-3636 FILED APRIL 15, 1991

A. Adopted as amended by 3793 & 3794
4/25/91 (p. 1543)

B. 10/2 (p. 1543)

SENATE FILE 508

H-3756

1 Amend Senate File 508, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 16, by inserting after line 25, the
4 following:
5 "Sec. ____ . Section 364.23, Code 1991, is amended
6 to read as follows:
7 364.23 ENERGY EFFICIENT LIGHTING REQUIRED.
8 All city-owned exterior flood lighting, including
9 but not limited to, street and security lighting but
10 not including era or period lighting, shall be
11 replaced, when worn-out, exclusively with high
12 pressure sodium lighting or lighting with equivalent
13 or better energy efficiency as approved in rules
14 adopted by the utilities board within the utilities
15 division of the department of commerce."
16 2. By renumbering as necessary.

By CHAPMAN of Linn

H-3756 FILED APRIL 19, 1991

W/D 4/25/91 (p. 1545)

SENATE FILE 508

H-3758

1 Amend Senate File 508, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 16, by inserting after line 25, the
4 following:
5 "Sec. ____ . Section 364.23, Code 1991, is amended
6 to read as follows:
7 364.23 ENERGY EFFICIENT LIGHTING REQUIRED.
8 All city-owned exterior flood lighting, including
9 but not limited to, street and security lighting but
*10 not including era or period lighting, shall be
11 replaced, when worn-out, exclusively with high
12 pressure sodium lighting or lighting with equivalent
13 or better energy efficiency as approved in rules
14 adopted by the utilities board within the utilities
15 division of the department of commerce."
16 2. By renumbering as necessary.

By McKEAN of Jones
NIELSEN of linn

H-3758 FILED APRIL 19, 1991

Adopted as amended by 3775 4/25/91 (p. 1546)

SENATE FILE 508

H-3666

- 1 Amend the amendment, H-3636, to Senate File 508, as
 2 amended, passed, and reprinted by the Senate, as
 3 follows:
 4 1. Page 1, by inserting after line 2, the
 5 following:
 6 "_____. Page 1, line 5, by striking the words
 7 "motor vehicles" and inserting the following:
 8 "passenger vehicles and light trucks."
 9 2. Page 1, by striking lines 5 and 6 and
 10 inserting the following: "not apply to vehicles
 11 purchased for any of the following: law enforcement
 12 purposes; off-road maintenance work; or work vehicles
 13 used to pull loaded trailers."
 14 3. By renumbering as necessary.

By NEUHAUSER of Johnson

H-3666 FILED APRIL 17, 1991

4/25/91

SENATE FILE 508

H-3677

- 1 Amend the amendment, H-3636, to Senate File 508, as
 2 amended, passed, and reprinted by the Senate, as
 3 follows:
 4 1. Page 1, line 16, by striking the words "an
 5 employee" and inserting the following: "a".
 6 2. Page 1, line 17, by inserting after the word
 7 "program" the following: "for state employees".

By NEUHAUSER of Johnson

H-3677 FILED APRIL 17, 1991

*Adopted 4/25/91 (p. 1541)**Placed o/c by 2765 (p. 1543)*

SENATE FILE 508

H-3691

- 1 Amend the amendment, H-3636, to Senate File 508, as
 2 amended, passed, and reprinted by the Senate, as
 3 follows:
 4 1. Page 1, by inserting after line 11, the
 5 following:
 6 "_____. Page 8, line 30, by striking the figure
 7 "93.43" and inserting the following: "93.42".
 8 "_____. Page 9, line 1, by striking the figure
 9 "93.44" and inserting the following: "93.43".
 10 2. By renumbering as necessary.

By ADAMS of Hamilton

H-3691 FILED APRIL 17, 1991

Adopted 4/25/91 (p. 1541) Lines 8, 9 placed o/c (p. 1544)

SENATE FILE 508

E-3783

1 Amend Senate File 508, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 14, line 26, by striking the words
 4 "intrastate and";
 5 2. Page 14, by striking line 27, and inserting
 6 the following: "interstate passenger rail service
 7 connections."
 8 3. Page 15, line 11, by striking the words
 9 "Develop a vanpool program and act" and inserting the
 10 following: "Act";
 11 4. Page 19, line 31, by striking the words
 12 "department of management" and inserting the
 13 following: "state department of transportation";
 14 5. Page 20, line 3, by inserting after the word
 15 "the" the following: "state";
 16 6. Page 20, line 4, by striking the word
 17 "management" and inserting the following:
 18 "transportation".

BY NEUHAUSER OF JOHNSON

E-3783 FILED APRIL 23, 1991

Adopted 4/25/91 (p. 1545)

E-3785

SENATE FILE 508

1 Amend Senate File 508, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 1, by striking lines 5 and 6 and
 4 inserting the following: "purchasing new motor
 5 vehicles, beginning July 1, 1995, a minimum of five
 6 percent, and beginning July 1, 2000, a minimum of ten
 7 percent of the vehicles purchased shall be";
 8 2. Page 1, by striking line 9 and inserting the
 9 following: "flexible fuels, eighty-five percent
 10 ethanol blends, solar energy, electricity, compressed
 11 gas, or propane."

BY GRUBBS OF SCOTT

E-3785 FILED APRIL 23, 1991

Recessed 4/25/91

E-3786

SENATE FILE 508

1 Amend Senate File 508, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 15, line 27, by inserting after the word
 4 "emissions" the following: "of mobile sources, as
 5 identified pursuant to title II of the federal Clean
 6 Air Act of 1990, Pub. L. No. 101-549";
 7 2. Page 19, line 31, by striking the words
 8 "department of management" and inserting the
 9 following: "state department of transportation";
 10 3. Page 20, line 3, by inserting after the word
 11 "the" the following: "state";
 12 4. Page 20, line 4, by striking the word
 13 "management" and inserting the following:
 14 "transportation".

BY BANKS OF PLYMOUTH

E-3786 FILED APRIL 23, 1991

Adopted, R. W. S. 4/25/91 (p. 1545)

SENATE FILE 508

H-3763

- 1 Amend Senate File 508, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 9, line 8, by inserting after the word
- 4 "feasible." the following: "For the purposes of this
- 5 section, "covered products" does not include clothes
- 6 washers, dishwashers, and water-cooled air
- 7 conditioning systems."

By BLACK of Jasper

H-3763 FILED APRIL 22, 1991

8. Black 4/25/91

SENATE FILE 508

H-3765

- 1 Amend the amendment, H-3636, to Senate File 508, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:
- 4 1. Page 1, by striking lines 14 through 19.
- 5 2. By renumbering as necessary.

By BANKS of Plymouth

H-3765 FILED APRIL 22, 1991

Adopted 4/25/91 (p. 1542)

SENATE FILE 508

H-3769

- 1 Amend Senate File 508, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 15, line 27, by inserting after the word
- 4 "emissions" the following: ", as identified pursuant
- 5 to the federal Clean Air Act of 1990, Pub. L. No. 101-
- 6 549,".
- 7 2. Page 19, line 31, by striking the words
- 8 "department of management" and inserting the
- 9 following: "state department of transportation".

By BANKS of Plymouth

H-3769 FILED APRIL 22, 1991

WKS 4/25/91 (p. 1544)

SENATE FILE 508

H-3775

- 1 Amend the amendment, H-3758, to Senate File 508, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:
- 4 1. Page 1, line 10, by inserting after the word
- 5 "lighting" the following: "which has a minimum
- 6 efficiency rating of fifty-eight lumens per watt".

By McKEAN of Jones

OSTERBERG of Linn

H-3775 FILED APRIL 23, 1991

Adopted 4/25/91 (p. 1546)

SENATE FILE 508

H-3793

1 Amend the amendment, S-3636, to Senate File 508, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 21 the
5 following:

6 " ____ . Page 16, by inserting after line 25 the
7 following:

8 "Sec. ____ . Section 364.24, Code 1991, is amended
9 to read as follows:

10 364.24 TRAFFIC LIGHT SYNCHRONIZATION.

11 After July 1, 1992, all cities with more than three
12 traffic lights within the corporate limits shall
13 establish a traffic light synchronization program for
14 energy efficiency in accordance with rules adopted by
15 the state department of transportation. The state
16 department of transportation shall adopt rules
17 required by this section by July 1, 1990. This
18 section does not require that a city replace lighting,
19 which has not completed its useful life, in order to
20 comply with the requirements of this section."

21 2. By renumbering as necessary.

By GRUBBS of Scott
WISSING of Scott

H-3793 FILED APRIL 23, 1991

Adopted 4/25/91 (p. 1543)

SENATE FILE 508

H-3794

1 Amend the amendment, H-3636, to Senate File 508, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 19, the
5 following:

6 " ____ . Page 15, by striking lines 13 through 15."

By NEUHAUSER of Johnson

H-3794 FILED APRIL 24, 1991

Adopted 4/25/91 (p. 1543)

SENATE FILE 508

H-3811

1 Amend the amendment, H-3636, to Senate File 508, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 11 the
5 following:

6 " ____ . Page 9, line 9, by inserting after the word
7 "commissioner" the following: ", the Iowa department
8 of public health, and the plumbing manufacturers'
9 institute,".

10 ____ . Page 9, line 10, by inserting after the
11 figure "103A" the following: "and chapter 135".

12 ____ . Page 9, by inserting after line 16, the
13 following:

14 "3. For the purposes of this section, "covered
15 products" means water closets, urinals, showerheads,
16 lavatory faucets and replacement aerators, and
17 kitchen faucets and replacement aerators."

By ADAMS of Hamilton

H-3811 FILED APRIL 24, 1991

w/d 4/25/91

SENATE FILE 508

H-3800

1 Amend the amendment, H-3636, to Senate File 508, as
2 amended, passed, and reprinted by the Senate as,
3 follows:

4 1. Page 1, by striking lines 3 through 6 and
5 inserting the following:
6 "_____. Page 1, by striking lines 3 through 9 and
7 inserting the following:
8 "NEW SUBSECTION. 4A. Of all new motor vehicles
9 purchased by the state vehicle dispatcher,
10 institutions under the control of the state Board of
11 Regents, community colleges, and any other state
12 agency purchasing new motor vehicles, beginning July
13 1, 1992, a minimum of five percent, and beginning July
14 1, 1995, a minimum of ten percent of all vehicles
15 purchased shall be equipped with engines which utilize
16 alternative methods of propulsion including but not
17 limited to those propelled by flexible fuels, solar
18 energy, or electricity. For the purpose of this
19 subsection, "flexible fuels" means fuels which are
20 blended with eighty-five percent ethanol and fifteen
21 percent gasoline. The provisions of this subsection
22 do not apply to vehicles purchased for the following
23 purposes: law enforcement, off-road maintenance work,
24 or work vehicles used to pull loaded trailers. This
25 subsection also does not apply to school corporations,
26 with the exceptions of those designated above."

By SHEARER of Louisa

H-3800 FILED APRIL 24, 1991

w/s 4/25/91

SENATE FILE 508

H-3803

1 Amend the amendment, H-3636, to Senate File 508, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 11 the
5 following:
6 "_____. Page 9, line 9, by inserting after the word
7 "commissioner" the following: "and the Iowa de-
8 partment of public health".
9 _____. Page 9, line 10, by inserting after the
10 figure "103A" the following: "and chapter 135"."

By ADAMS of Hamilton

H-3803 FILED APRIL 24, 1991

w/s 4/25/91

SENATE FILE 508

H-3804

1 Amend the amendment, H-3636, to Senate File 508, as
2 amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by inserting after line 11 the fol-
5 lowing:
6 "_____. Page 8, by striking lines 25 and 26 and
7 inserting the following: "1992. A new appliance
8 manufactured on or after January 1, 1996, shall not be
9 sold or offered for sale in this state,."

By ADAMS of Hamilton

H-3804 FILED APRIL 24, 1991

w/s 4/25/91

SENATE FILE 508

H-3830

1 Amend amendment, H-3636, to Senate File 508, as
2 amended, passed, and reprinted by the Senate as,
3 follows:
4 1. Page 1, by striking lines 3 through 6 and
5 inserting the following:
6 "_____. Page 1, by striking lines 3 through 9 and
7 inserting the following:
8 "NEW SUBSECTION. 4A. Of all new passenger
9 vehicles and light pickup trucks purchased by the
10 state vehicle dispatcher, institutions under the
11 control of the state board of regents, community
12 colleges, and any other state agency purchasing such
13 new vehicles and trucks, beginning July 1, 1992, a
14 minimum of five percent, and beginning July 1, 1995, a
15 minimum of ten percent of all such vehicles and trucks
16 purchased shall be equipped with engines which utilize
17 alternative methods of propulsion including but not
18 limited to those propelled by flexible fuels, solar
19 energy, or electricity. For the purpose of this
20 subsection, "flexible fuels" means fuels which are
21 blended with eighty-five percent ethanol and fifteen
22 percent gasoline. The provisions of this subsection
23 do not apply to such vehicles and trucks purchased for
24 the following purposes: law enforcement, off-road
25 maintenance work, or work vehicles used to pull loaded
26 trailers. This subsection also does not apply to
27 school corporations, with the exceptions of those
28 designated above. It is the intent of the general
29 assembly that the members of the midwest energy
30 compact promote the development and purchase of motor
31 vehicles equipped with engines which utilize
32 alternative methods of propulsion."

By SHEARER of Louisa

H-3830 FILED APRIL 25, 1991

ADOPTED (p. 1541)

SENATE FILE 508

H-3851

1 Amend Senate File 508, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 19, by striking lines 28 and 29.
4 2. By renumbering as necessary.

By DVORSKY of Johnson
BISIGNANO of Polk

H-3851 FILED APRIL 25, 1991

ADOPTED (p. 1546)

SENATE FILE 508

H-3814

- 1 Amend Senate File 508, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 8, by striking lines 9 through 29.
- 4 2. Page 9, by striking lines 1 through 16.
- 5 3. By renumbering as necessary.

By ADAMS of Hamilton

SHEARER of Louisa

NEUHAUSER of Johnson

DVORSKY of Johnson

H-3814 FILED APRIL 25, 1991

ADOPTED (p. 1543)

SENATE FILE 508

H-3822

- 1 Amend Senate File 508, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 8, line 32, by inserting after the word
- 4 "signs" the following: "at the time of replacement".

By SHEARER of Louisa

H-3822 FILED APRIL 25, 1991

ADOPTED (p. 1544)

HOUSE AMENDMENT TO
SENATE FILE 508

S-3632

- 1 Amend Senate File 508, as amended, passed, and
2 reprinted by the Senate, as follows:
- 3 1. Page 1, by striking lines 3 through 9 and
4 inserting the following:
- 5 "NEW SUBSECTION. 4A. Of all new passenger
6 vehicles and light pickup trucks purchased by the
7 state vehicle dispatcher, institutions under the
8 control of the state board of regents, community
9 colleges, and any other state agency purchasing such
10 new vehicles and trucks, beginning July 1, 1992, a
11 minimum of five percent, and beginning July 1, 1995, a
12 minimum of ten percent of all such vehicles and trucks
13 purchased shall be equipped with engines which utilize
14 alternative methods of propulsion including but not
15 limited to those propelled by flexible fuels, solar
16 energy, or electricity. For the purpose of this
17 subsection, "flexible fuels" means fuels which are
18 blended with eighty-five percent ethanol and fifteen
19 percent gasoline. The provisions of this subsection
20 do not apply to such vehicles and trucks purchased for
21 the following purposes: law enforcement, off-road
22 maintenance work, or work vehicles used to pull loaded
23 trailers. This subsection also does not apply to
24 school corporations, with the exceptions of those
25 designated above. It is the intent of the general
26 assembly that the members of the midwest energy
27 compact promote the development and purchase of motor
28 vehicles equipped with engines which utilize
29 alternative methods of propulsion."
- 30 2. Page 1, by striking lines 10 through 17.
- 31 3. Page 8, by striking lines 9 through 29.
- 32 4. Page 8, line 30, by striking the figure
33 "93.43" and inserting the following: "93.42"
- 34 5. Page 8, line 32, by inserting after the word
35 "signs" the following: "at the time of replacement".
- 36 6. Page 9, by striking lines 1 through 16.
- 37 7. Page 14, lines 21 and 22, by striking the
38 words "the costs of weatherization and other".
- 39 8. Page 14, line 26, by striking the words
40 "intrastate and".
- 41 9. Page 14, by striking line 27, and inserting
42 the following: "interstate passenger rail service
43 connections."
- 44 10. Page 15, line 11, by striking the words
45 "Develop a vanpool program and act" and inserting the
46 following: "Act".
- 47 11. Page 15, by striking lines 13 through 15.
- 48 12. Page 15, line 27, by inserting after the word
49 "emissions" the following: "of mobile sources, as
50 identified pursuant to Title II of the federal Clean

S-3632

Page 2

1 Air Act of 1990, Pub. L. No. 101-549,".

2 12. By striking page 15, line 35, through page
3 16, line 25.

4 14. Page 16, by inserting after line 25 the
5 following:

6 "Sec. _____. Section 364.24, Code 1991, is amended
7 to read as follows:

8 364.24 TRAFFIC LIGHT SYNCHRONIZATION.

9 After July 1, 1992, all cities with more than three
10 traffic lights within the corporate limits shall
11 establish a traffic light synchronization program for
12 energy efficiency in accordance with rules adopted by
13 the state department of transportation. The state
14 department of transportation shall adopt rules
15 required by this section by July 1, 1990. This
16 section does not require that a city replace lighting,
17 which has not completed its useful life, in order to
18 comply with the requirements of this section."

19 15. Page 16, by inserting after line 25, the
20 following:

21 "Sec. _____. Section 364.23, Code 1991, is amended
22 to read as follows:

23 364.23 ENERGY EFFICIENT LIGHTING REQUIRED.

24 All city-owned exterior flood lighting, including
25 but not limited to, street and security lighting but
26 not including era or period lighting which has a
27 minimum efficiency rating of fifty-eight lumens per
28 watt, shall be replaced, when worn-out, exclusively
29 with high pressure sodium lighting or lighting with
30 equivalent or better energy efficiency as approved in
31 rules adopted by the utilities board within the
32 utilities division of the department of commerce."

33 16. Page 19, by striking lines 14 and 15 and
34 inserting the following: ", upon the request of a
35 state agency or political subdivision to which it
36 provides service, provide advice and assistance
37 regarding measures which the state agency or political
38 subdivision might take in achieving improved energy
39 efficiency results. The cooperation shall".

40 17. Page 19, by inserting after line 17, the
41 following:

42 "Sec. _____. Section 476.10A, Code 1991, is amended
43 by adding the following new unnumbered paragraph:

44 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
45 8.33, any unexpended moneys remitted to the treasurer
46 of state under this section shall be retained for the
47 purposes designated. Notwithstanding section 453.7,
48 subsection 2, interest or earnings on investments or
49 time deposits of the moneys remitted under this
50 section shall be retained and used for the purposes

SENATE FILE 508

S-3696

1 Amend the House amendment, S-3632, to Senate File
2 508, as amended, passed, and reprinted by the Senate,
3 as follows:

DIV. 4 1. Page 1, line 11, by striking the figure "1995"
B 5 and inserting the following: "1994".

6 2. Page 1, line 15, by inserting after the word
7 "fuels," the following: "compressed natural gas,
8 propane,".

9 3. Page 1, line 35, by inserting after the word
10 "replacement" the following: ", but no later than
11 July 1, 2001".

DIV. 12 4. Page 1, by striking line 36 and inserting the
A 13 following:

14 "____. Page 9, line 9, by inserting after the word
15 "commissioner" the following: ", the Iowa department
16 of public health, and the plumbing manufacturers'
17 institute,".

18 ____ . Page 9, line 10, by inserting after the
19 figure "103A" the following: "and chapter 135".

20 ____ . Page 9, by inserting after line 16, the
21 following:

22 "3. For the purposes of this section, "covered
23 products" means water closets, urinals, showerheads,
24 laboratory faucets and replacement aerators, and
25 kitchen faucets and replacement aerators."

DIV. 26 5. Page 2, line 18, by inserting after the word
B 27 "section." the following: "However, all lighting
28 shall be replaced, whether or not it has completed its
29 useful life, by July 1, 2001."

30 6. By numbering and renumbering as necessary.

By PATRICK DELUHERY

EUGENE FRAISE

RALPH ROSENBERG

RICHARD VARN

MICHAEL GRONSTAL

ALVIN MILLER

S-3696 FILED MAY 3, 1991

DIVISION A-ADOPTED, DIVISION B-ADOPTED (p. 1636)

SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE FILE 508
H-4044

- 1 Amend the House amendment, S-3632, to Senate File
2 508, as amended, passed, and reprinted by the Senate,
3 as follows:
4 1. Page 1, line 11, by striking the figure "1995"
5 and inserting the following: "1994".
6 2. Page 1, line 15, by inserting after the word
7 "fuels," the following: "compressed natural gas,
8 propane,".
9 3. Page 1, line 35, by inserting after the word
10 "replacement" the following: ", but no later than
11 July 1, 2001".
12 4. Page 1, by striking line 36 and inserting the
13 following:
14 "____. Page 9, line 9, by inserting after the word
15 "commissioner" the following: ", the Iowa department
16 of public health, and the plumbing manufacturers'
17 institute,".
18 ____: Page 9, line 10, by inserting after the
19 figure "103A" the following: "and chapter 135".
20 ____: Page 9, by inserting after line 16, the
21 following:
22 "3. For the purposes of this section, "covered
23 products" means water closets, urinals, showerheads,
24 lavatory faucets and replacement aerators, and
25 kitchen faucets and replacement aerators."
26 5. Page 2, line 18, by inserting after the word
27 "section." the following: "However, all lighting
28 shall be replaced, whether or not it has completed its
29 useful life, by July 1, 2001."
30 6. By numbering and renumbering as necessary.

RECEIVED FROM THE SENATE

H-4044 FILED MAY 3, 1991

House concurred 5/6/91 (p. 2115)

S-3632

Page 3

1 designated."

2 18. Page 19, by striking lines 28 and 29.

3 19. Page 19, line 31, by striking the words

4 "department of management" and inserting the
5 following: "state department of transportation".

6 20. Page 20, line 3, by inserting after the word

7 "The" the following: "state".

8 21. Page 20, line 4, by striking the word

9 "management" and inserting the following:

10 "transportation".

11 22. Page 20, by inserting after line 6 the

12 following:

13 "Sec. ____ . 1990 Iowa Acts, chapter 1252, section

14 49, subsection 1, unnumbered paragraph 1, is amended

15 to read as follows:

16 The state department of transportation, in

17 consultation with units of local government, including

18 representatives of cities of 200,000 or more

19 population, cities of 50,000 or more but less than

20 200,000 population, and cities under 50,000

21 population, shall conduct ~~7-conditioned-upon-the~~22 ~~availability-of-funds~~, a comprehensive study of the

23 relationship between transportation planning, systems

24 development, and management to urban and rural

25 development, land use planning, and energy demand.

26 The study shall include an analysis of the27 relationship between parking development and pricing28 structure and transit usage and shall include an29 analysis of the relationship between commercial and30 industrial site selection and transportation energy31 consumption. The purpose of the study shall be to

32 identify opportunities to improve the long-term energy

33 efficiency of transportation, as well as to improve

34 traffic safety and service. The results of the study

35 shall be reported to the general assembly and shall

36 contain recommended policies and legislation." -

37 23. Title page, by striking lines 7 through 10

38 and inserting the following: "for certain products

39 and establishing various energy efficiency-related

40 programs and projects."

41 24. By renumbering, relettering, or redesignating

42 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-3632 FILED APRIL 29, 1991

Senate Amended - Concurred 5/3/91 (p 1637)

DELUHERY, CH.
BORLAUG
JENSEN
ROSENBERG
VARN

SSB 333

ENVIRONMENT + ENERGY UTILITIES

SENATE FILE 508

BY (PROPOSED ENVIRONMENT AND
ENERGY UTILITIES BILL BY
CHAIRPERSON ROSENBERG)

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

A BILL FOR

1 An Act relating to energy efficiency by expanding the entities
2 entitled to financial assistance for implementing energy
3 conservation measures, requiring implementation of life cycle
4 cost analyses and providing exemptions from the implementation
5 requirements, requiring the appropriation of abandoned utility
6 refunds and deposits, establishing energy efficiency standards
7 for certain products, establishing various energy efficiency-
8 related programs and projects, and providing for a sales and
9 use tax credit for the purchase of fuel-efficient motor
10 vehicles.

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

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1 Section 1. Section 18.115, Code 1991, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 4A. Of all new motor vehicles purchased
4 by the state vehicle dispatcher and any other state agency
5 purchasing new motor vehicles, beginning July 1, 1991, a
6 minimum of ten percent of the vehicles purchased shall be
7 equipped with engines which utilize ethanol as fuel, if
8 commercially available.

9 Sec. 2. NEW SECTION. 73.22 PREFERENCE -- STATE
10 ASSISTANCE -- ENERGY EFFICIENCY-RELATED BUSINESS.

11 Every agency, department, commission, board, committee,
12 officer, or other governing body of the state, in the awarding
13 of any type of financial assistance to businesses in the
14 state, shall give preference to those businesses which are
15 involved in recycling, the development of alternative fuels,
16 or energy efficiency.

17 Sec. 3. Section 93.11, subsection 1, paragraph d, Code
18 1991, is amended to read as follows:

19 d. Unless prohibited by the conditions applying to a
20 settlement, the petroleum overcharge moneys in the energy
21 conservation trust may be used for the payment of attorney
22 fees and expenses incurred by the state to obtain the moneys
23 and shall be paid by the director of revenue and finance from
24 the available moneys in the trust subject to the approval of
25 the attorney general.

26 Sec. 4. Section 93.11, subsection 1, Code 1991, is amended
27 by adding the following new paragraph:

28 NEW PARAGRAPH. f. The moneys deposited in the energy
29 research and development fund shall be used for research and
30 development of selected projects to improve Iowa's energy
31 independence by developing improved methods of energy
32 efficiency, or by increased development and use of Iowa's
33 renewable nonresource-depleting energy resources. The moneys
34 credited to the fund under section 556.18 shall be used for
35 energy conservation and alternative energy resource projects.

1 The projects shall be selected by the director and
2 administered by the department. Selection criteria for funded
3 projects shall include consideration of indirect restitution
4 to those persons in the state in the utility customer classes
5 and the utility service territories affected by unclaimed
6 utility refunds or deposits.

7 Sec. 5. Section 93.11, subsection 5, Code 1991, is amended
8 by adding the following new paragraph:

9 NEW PARAGRAPH. f. The energy research and development
10 fund.

11 Sec. 6. Section 93.11, subsection 6, Code 1991, is amended
12 to read as follows:

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

24 Sec. 7. Section 93.13A, Code 1991, is amended to read as
25 follows:

26 93.13A ENERGY CONSERVATION MEASURES IDENTIFIED AND
27 IMPLEMENTED.

28 The state, state agencies, political subdivisions of the
29 state, ~~schools~~ school districts, area education agencies, and
30 community colleges shall identify and implement, through
31 energy audits and engineering analyses, all energy
32 conservation measures identified for which financing is made
33 available by the department to the entity. The energy
34 conservation measure financings shall be supported through
35 payments from energy savings.

1 The department shall not require a school district, area
2 ~~school~~ community college, area education agency, city, or
3 county to perform an engineering analysis if the school
4 district, community college, area education agency, city, or
5 county demonstrates to the department that the facility which
6 is the subject of the proposed engineering analysis at issue
7 is unlikely to be in use or operation in six years by the
8 governmental entity currently using or occupying the facility.

9 Sec. 8. Section 93.19, Code 1991, is amended to read as
10 follows:

11 93.19 ENERGY BANK PROGRAM.

12 The energy bank program is established by the department.
13 The energy bank program consists of the following forms of
14 assistance for ~~school-districts,-area-education-agencies,~~
15 ~~cities,-counties,-and-community-colleges~~ the state, state
16 agencies, political subdivisions of the state, school
17 districts, area education agencies, community colleges, and
18 nonprofit organizations:

19 1. Providing moneys from the petroleum overcharge fund for
20 conducting energy audits for school districts under section
21 279.44 for conducting comprehensive engineering analyses for
22 school districts and for conducting energy audits and
23 comprehensive engineering analyses for state agencies, and
24 political subdivisions of the state.

25 2. Providing loans, leases, and other methods of
26 alternative financing from the energy loan fund established in
27 section 93.20 and section 93.20A for ~~school-districts,~~
28 ~~community-colleges,-area-education-agencies,-cities-and~~
29 ~~counties~~ the state, state agencies, political subdivisions of
30 the state, school districts, area education agencies,
31 community colleges, and nonprofit organizations to implement
32 energy conservation measures.

33 3. Serving as a source of technical support for energy
34 conservation management.

35 4. Providing assistance for obtaining insurance on the

1 energy savings expected to be realized from the implementation
2 of energy conservation measures.

3 5. Providing self-liquidating financing for school
4 districts, community colleges, area education agencies,
5 cities, and counties, the state, state agencies, political
6 subdivisions of the state, school districts, area education
7 agencies, community colleges, and nonprofit organizations
8 pursuant to section 93.20A.

9 For the purpose of this section, section 93.20, and section
10 93.20A, "energy conservation measure" means construction,
11 rehabilitation, acquisition, or modification of an
12 installation in a building facility or vehicle which is
13 intended to reduce energy consumption, or energy costs, or
14 both, or allow the use of an alternative energy source, which
15 may contain integral control and measurement devices.

16 "Nonprofit organization" means an organization exempt from
17 federal income taxation under section 501(c)(3) of the
18 Internal Revenue Code.

19 Sec. 9. Section 93.20, Code 1991, is amended to read as
20 follows:

21 93.20 ENERGY LOAN FUND.

22 An energy loan fund is established in the office of the
23 treasurer of state to be administered by the department.

24 1. The department may make loans to school districts,
25 community colleges, area education agencies, cities, and
26 counties the state, state agencies, political subdivisions of
27 the state, school districts, area education agencies,
28 community colleges, and nonprofit organizations for
29 implementation of energy conservation measures identified in a
30 comprehensive engineering analysis. Loans shall not be made
31 for energy conservation measures that require more than an
32 average of six years for the school district, community
33 college, area education agency, city and county state, state
34 agency, political subdivision of the state, school district,
35 area education agency, community college, or nonprofit

1 organization as an entity to recoup the actual or projected
2 cost of construction and acquisition of the improvements; and
3 cost of the engineering plans and specifications. For a
4 ~~school-district, community-college, area-education-agency,~~
5 ~~city-or-county~~ the state, state agencies, political
6 subdivisions of the state, school districts, area education
7 agencies, community colleges, and nonprofit organizations to
8 receive a loan from the fund, the department shall require
9 completion of an energy management plan including an energy
10 audit and a comprehensive engineering analysis. The
11 department shall approve loans made under this section.

12 2. Cities and counties shall repay the loans from moneys
13 in their debt service funds. Area education agencies shall
14 repay the loans from any moneys available to them.

15 School districts and community colleges may enter into
16 financing arrangements with the department or its duly
17 authorized agents or representatives obligating the school
18 district or community college to make payments on the loans
19 beyond the current budget year of the school district or
20 community college. Chapter 75 shall not be applicable.
21 School districts shall repay the loans from moneys in either
22 their general fund or schoolhouse fund. Community colleges
23 shall repay the loans from their general fund. Other entities
24 receiving loans under this section shall repay the loans from
25 any moneys available to them.

26 3. The department may accept gifts, federal funds, state
27 appropriations, and other moneys for deposit in the energy
28 loan fund or may fund the energy loan fund in accordance with
29 section 93.20A.

30 4. For the purpose of this section, "loans" means loans,
31 leases, or alternative financing arrangements.

32 5. ~~A-school-district, community-college, area-education~~
33 ~~agency, city, or-county~~ The state, state agencies, political
34 subdivisions of the state, school districts, area education
35 agencies, and community colleges shall design and construct

1 the most energy cost-effective facilities feasible and shall
2 use the financing made available by the department to cover
3 the incremental costs above minimum building code energy
4 efficiency standards of purchasing energy efficient devices
5 and materials unless other lower cost financing is available.
6 As used in this section, "facility" means a structure that is
7 heated or cooled by a mechanical or electrical system, or any
8 system of physical operation that consumes energy to carry out
9 a process.

10 6. The department shall not require ~~a-school-district,~~
11 ~~community-college,-area-education-agency,-city,-or-county~~ the
12 state, state agencies, political subdivisions of the state,
13 school districts, area education agencies, and community
14 colleges to implement a specific energy conservation measure
15 identified in a comprehensive engineering analysis if the
16 ~~political-subdivision~~ entity which prepared the analysis
17 demonstrates to the department that the facility which is the
18 subject of the energy conservation measure is unlikely to be
19 used or operated for the full period of the expected payback
20 of the energy conservation measure.

21 Sec. 10. Section 93.20A, Code 1991, is amended to read as
22 follows:

23 93.20A SELF-LIQUIDATING FINANCING.

24 1. The department of natural resources may enter into
25 financing agreements with ~~school-districts,-community~~
26 ~~colleges,-area-education-agencies,-cities,-or-counties~~ the
27 state, state agencies, political subdivisions of the state,
28 school districts, area education agencies, community colleges,
29 or nonprofit organizations in order to provide the financing
30 to pay the costs of furnishing energy conservation measures.
31 The provisions of section 93.20 defining eligible energy
32 conservation measures and the method of repayment of the loans
33 apply to financings under this section.

34 The financing agreement may contain provisions, including
35 interest, term, and obligations to make payments on the

1 financing agreement beyond the current budget year, as may be
2 agreed upon between the department of natural resources and
3 ~~the-school-district,-community-college,-area-education-agency,-~~
4 ~~city,-or-county~~ the state, state agencies, political
5 subdivisions of the state, school districts, area education
6 agencies, community colleges, or nonprofit organizations.

7 2. For the purpose of funding its obligation to furnish
8 moneys under the financing agreements, or to fund the energy
9 loan fund created in section 93.20, the treasurer of state,
10 with the assistance of the department of natural resources, or
11 the treasurer of state's duly authorized agents or
12 representatives, may incur indebtedness or enter into master
13 lease agreements or other financing arrangements to borrow to
14 accomplish energy conservation measures, or the department of
15 natural resources may enter into master lease agreements or
16 other financing arrangements to permit ~~school-districts,-area~~
17 ~~education-agencies,-community-colleges,-cities,-or-counties~~
18 the state, state agencies, political subdivisions of the
19 state, school districts, area education agencies, community
20 colleges, or nonprofit organizations to borrow sufficient
21 funds to accomplish the energy conservation measure. The
22 obligations may be in such form, for such term, bearing such
23 interest and containing such provisions as the department of
24 natural resources, with the assistance of the treasurer of
25 state, deems necessary or appropriate. Funds remaining after
26 the payment of all obligations have been redeemed shall be
27 paid into the energy loan fund.

28 3. ~~School-districts,-community-colleges,-area-education~~
29 ~~agencies,-cities,-or-counties~~ The state, state agencies,
30 political subdivisions of the state, school districts, area
31 education agencies, community colleges, and nonprofit
32 organizations may enter into financing agreements and issue
33 obligations necessary to carry out the provisions of the
34 chapter. Chapter 75 shall not be applicable.

35 Sec. 11. NEW SECTION. 93.41 NONCONSUMER APPLIANCES AND

1 EQUIPMENT -- STANDARDS.

2 The department shall adopt rules, pursuant to chapter 17A,
3 to establish standards for minimum levels of operating
4 efficiency, based on a reasonable use pattern, and may
5 prescribe other cost-effective measures, including incentive
6 programs, fleet averaging, energy consumption labeling not
7 preempted by federal labeling, and education programs, to
8 promote the use of nonconsumer energy efficient appliances
9 whose use, as determined by the commission, requires a
10 significant amount of energy on a statewide basis. The
11 minimum levels of operating efficiency shall be based on
12 feasible and attainable efficiencies or feasible improved
13 efficiencies which will reduce the electrical energy
14 consumption growth rate. The department shall adopt standards
15 which will not result in additional total costs over the
16 designed life of the appliance for which a standard is
17 adopted. The standards shall be based on the national
18 voluntary consensus standards 90.1-1989, adopted by the
19 American society of heating, refrigeration, and air
20 conditioning engineers or, for appliances not covered by that
21 standard, based on a similar nationwide consensus standard.
22 The standards shall become effective October 1, 1992. A new
23 appliance manufactured on or after October 1, 1992, shall not
24 be sold or offered for sale in this state, unless it is
25 certified by the manufacturer to be in compliance with the
26 standard adopted by the department for that appliance.

27 Sec. 12. NEW SECTION. 93.42 LIGHTING EFFICIENCY
28 STANDARDS.

29 1. The director shall adopt rules, pursuant to chapter
30 17A, to establish minimum levels of operating efficiency for
31 fluorescent ballasts and luminaires with fluorescent ballasts.
32 The standards shall become effective October 1, 1992. On or
33 after October 1, 1992, a new fluorescent ballast or luminaire
34 with fluorescent ballast for which a standard is adopted shall
35 not be sold, offered for sale, or installed in this state

1 unless the fluorescent ballast or luminaire with fluorescent
2 ballast complies with the standards adopted.

3 2. The standards adopted shall include the following:

4 a. The ballast efficiency factor for all new ballasts
5 designed for the operation of one F40T12 lamp with a nominal
6 input voltage of either one hundred twenty or two hundred
7 seventy-seven and forty total nominal lamp watts shall be at
8 least one and eight hundred five one-thousandths.

9 b. The ballast efficiency factor for all new ballasts
10 designed for the operation of two F40T12 lamps with a nominal
11 input voltage of one hundred twenty and eighty total nominal
12 lamp watts shall be at least one and sixty one-thousandths and
13 for the operation of two F40T12 lamps with a nominal input
14 voltage of two hundred seventy-seven and eighty total nominal
15 lamp watts shall be at least one and fifty one-thousandths.

16 c. The ballast efficiency factor for all new ballasts
17 designed for the operation of two F96T12 lamps with a nominal
18 input voltage of either one hundred twenty or two hundred
19 seventy-seven and one hundred fifty nominal lamp watts shall
20 be at least five hundred seventy one-thousandths.

21 3. A person who manufactures luminaires or ballasts in
22 this state for final sale to retailers or consumers in this
23 state shall certify to the department, through a certification
24 procedure developed by rule of the department, that the
25 luminaires or ballasts are in compliance with the standards
26 adopted by the department.

27 4. For the purposes of this section, unless the context
28 otherwise requires:

29 a. "Ballast efficiency factor" means the ratio of the
30 relative light output of a ballast expressed as a percent to
31 the rate of energy consumption.

32 b. "Fluorescent ballast" means a device designed to
33 operate fluorescent lamps by providing a starting voltage and
34 current, and limiting the current during normal operation, but
35 does not include such devices that have a dimming capability

1 or are intended for use in ambient temperatures of zero
2 degrees Fahrenheit or less or have a power factor of less than
3 sixty one-hundredths for a single F40T12 lamp.

4 c. "F40T12 lamp" means a tubular fluorescent lamp that is
5 a nominal forty watt lamp, with a forty-eight inch tube length
6 and one and one-half inches in diameter.

7 d. "F96T12 lamp" means a tubular fluorescent lamp that is
8 a nominal seventy-five watt lamp with a ninety-six inch tube
9 length and one and one-half inches in diameter.

10 e. "Luminaire" means a complete lighting unit consisting
11 of a fluorescent lamp or lamps, together with parts designed
12 to distribute the light, to position and protect such lamps
13 and to connect such lamps to the power supply.

14 f. "Nominal input voltage" means an input voltage within
15 plus five percent or minus five percent of a specified value.

16 g. "Nominal lamp watts" means the wattage at which a lamp
17 is designed to operate and for which it is rated.

18 Sec. 13. NEW SECTION. 93.43 EXIT SIGNS -- STANDARDS.

19 The department shall adopt rules which require the use of
20 compact fluorescent bulbs in exit signs. Prior to the
21 adoption of rules, the department shall promote, through
22 educational materials, the use of compact fluorescent bulbs in
23 exit signs.

24 Sec. 14. NEW SECTION. 93.44 PLUMBING PRODUCTS EFFICIENCY
25 STANDARDS.

26 1. The department shall adopt rules which prescribe water
27 use standards for each product classified as a covered product
28 under this section. The standards adopted shall be designed
29 to achieve the maximum efficiency of water use which the
30 department determines is technologically and economically
31 feasible. For the purposes of this section, "covered product"
32 means water closets, including gravity tank-type toilets,
33 flushometer-tank toilets, flushometer-valve toilets,
34 electromechanical hydraulic toilets, and all other types of
35 toilets that use water; urinals; showerheads; faucets

1 including both lavatory and kitchen; and any other type of
2 plumbing product which the department classifies as a covered
3 product including but not limited to drinking fountains,
4 water-cooled air conditioning systems, decorative fountains,
5 dishwashers, and clothes washers.

6 2. The standards for specific plumbing products are as
7 follows:

8 a. For water closets, the maximum water use allowed in
9 gallons per flush for any of the following water closets,
10 manufactured and sold on or after January 1, 1995, is one and
11 six-tenths gallons per flush for gravity tank-type toilets,
12 flushometer-valve toilets, flushometer-tank toilets, and
13 electromechanical hydraulic toilets.

14 b. For urinals, the maximum water use allowed for any
15 urinal, manufactured and sold on or after January 1, 1995, is
16 one gallon per flush.

17 c. For showerheads, the maximum water use allowed for any
18 showerhead, manufactured and sold on or after January 1, 1995,
19 is two and one-half gallons per minute.

20 d. For faucets, the maximum water use allowed in gallons
21 per minute for any of the following faucets and replacement
22 aerators, manufactured and sold on or after January 1, 1995,
23 is as follows:

24 (1) Lavatory faucets, two gallons per minute.

25 (2) Lavatory replacement aerators, two gallons per minute.

26 (3) Kitchen faucets, two and one-half gallons per minute.

27 (4) Kitchen replacement aerators, two and one-half gallons
28 per minute.

29 3. The department shall prescribe standards for other
30 covered products for which water use standards are not
31 specified under this section which are manufactured or sold on
32 or after the date on which the product is classified by the
33 department as a covered product.

34 4. The department shall reevaluate the water use standards
35 prescribed under this section no later than the date which is

1 five years from the date of initial adoption of standards for
2 a covered product.

3 5. The department may provide for exemptions from the
4 standards prescribed under this section for certain covered
5 products if the department determines that the standard
6 prescribed for the covered product cannot be achieved through
7 use of existing technology. If an exemption is provided, the
8 department shall review the exemption annually to determine if
9 there is reason for continuing the exemption based upon
10 existing technology.

11 6. The department shall prescribe labeling requirements to
12 identify covered products which meet the specifications
13 prescribed by the department. Labeling of a covered product
14 shall be required no later than ninety days following the
15 establishment of a standard for the covered product, unless
16 the department determines that an extension period is
17 necessitated to allow sufficient time for compliance.

18 7. A person violating this section is subject to a civil
19 penalty of not more than one hundred dollars for each
20 violation.

21 Sec. 15. NEW SECTION. 93A.1 MIDWEST ENERGY COMPACT.

22 The midwest energy compact is enacted into law and entered
23 into with all other states which legally join in the compact
24 in substantially the following form:

25 INTERSTATE COMPACT ON ENERGY

26 ARTICLE I -- PURPOSE

27 It is the purpose of this compact to protect, preserve, and
28 enhance:

29 a. The economic and general welfare of citizens of the
30 joining states by increasing energy efficiency and energy
31 independence.

32 b. The economies and very existence of local communities
33 in such states, the economies of which are dependent upon
34 imported energy sources.

35 ARTICLE II -- COMMISSION

1 a. Organization and management

2 1. There is hereby created an agency of the member states
3 to be known as the interstate midwest energy commission,
4 hereinafter called the commission. The commission shall
5 consist of three residents of each member state who shall have
6 a background in energy efficiency and who shall be appointed
7 as follows: One member appointed by the governor, who shall
8 serve at the pleasure of the governor; one senator appointed
9 in the manner prescribed by the senate of the state, except
10 that in Iowa the appointment shall be made by the president of
11 the senate, after consultation with the majority leader and
12 the minority leader of the senate, and except that two
13 senators may be appointed by the governor of the state of
14 Nebraska from the unicameral legislature of the state of
15 Nebraska; and one member of the house of representatives
16 appointed in the manner prescribed by the house of
17 representatives of the state. The member first appointed by
18 the governor shall serve for a term of one year and the
19 senator and representative first appointed shall each serve
20 for a term of two years. Thereafter all members appointed
21 shall serve for two-year terms. The attorneys general of
22 member states or assistants designated by the attorneys
23 general shall be nonvoting members of the commission.

24 2. Each member shall be entitled to one vote. A member
25 must be present to vote and no voting by proxy shall be
26 permitted. The commission shall not act unless a majority of
27 the voting members are present, and no action shall be binding
28 unless approved by a majority of the total number of voting
29 members present.

30 3. The commission shall be a body corporate of each member
31 state and shall adopt an official seal to be used as it may
32 provide.

33 4. The commission shall hold an annual meeting and other
34 regular meetings as its bylaws may provide and special
35 meetings as its executive committee may determine. The

1 commission bylaws shall specify the dates of the annual and
2 any other regular meetings, and shall provide for the giving
3 of notice of annual, regular, and special meetings. Notices
4 of special meetings shall include the reasons therefor and an
5 agenda of the items to be considered.

6 5. The commission shall elect annually, from among its
7 voting members, a chairperson, a vice chairperson, and a
8 treasurer. The commission shall appoint an executive director
9 who shall serve at its pleasure, and shall fix the duties and
10 compensation of the director. The executive director shall be
11 secretary of the commission. The commission shall make
12 provision for the bonding of those of its officers and
13 employees as it may deem appropriate.

14 6. Irrespective of the civil service, personnel, or other
15 merit system laws of any member state, the executive director
16 shall appoint or discharge personnel as may be necessary for
17 the performance of the functions of the commission and shall
18 fix, with the approval of the commission, their duties and
19 compensation. The commission bylaws shall provide for
20 personnel policies and programs. The commission may establish
21 and maintain, independently of or in conjunction with any one
22 or more of the member states, a suitable retirement system for
23 its full-time employees. Employees of the commission shall be
24 eligible for social security coverage in respect of old age
25 and survivors insurance provided that the commission takes
26 steps as may be necessary pursuant to federal law to
27 participate in the program of insurance as a governmental
28 agency or unit. The commission may establish and maintain or
29 participate in additional programs of employee benefits as may
30 be appropriate. The commission may borrow, accept, or
31 contract for the services of personnel from any state, the
32 United States, or any other governmental entity.

33 7. The commission may accept for any of its purposes and
34 functions any and all donations and grants of money,
35 equipment, supplies, materials, and services, conditional or

1 otherwise, from any governmental entity, and may utilize and
2 dispose of the same.

3 8. The commission may establish one or more offices for
4 the transacting of its business.

5 9. The commission shall adopt bylaws for the conduct of
6 its business. The commission shall publish its bylaws in
7 convenient form, and shall file a copy of the bylaws and any
8 amendments thereto with the appropriate agency or officer in
9 each of the member states.

10 10. The commission annually shall make to the governor and
11 legislature of each member state a report covering its
12 activities for the preceding year. Any donation or grant
13 accepted by the commission or services borrowed shall be
14 reported in the annual report of the commission, and shall
15 include the nature, amount, and conditions, if any, of the
16 donation, gift, grant, or services borrowed and the identity
17 of the donor or lender. The commission may make additional
18 reports as it may deem desirable.

19 b. Committees

20 1. The commission may establish committees from its
21 membership as its bylaws may provide for the carrying out of
22 its functions.

23 ARTICLE III -- POWERS AND DUTIES OF COMMISSION

24 a. The commission shall conduct comprehensive and
25 continuing studies and investigations of energy efficiency
26 measures and their relationship to and effect upon the
27 citizens and economies of the member states.

28 b. The commission shall make recommendations for the
29 correction of weaknesses and solutions to problems in present
30 energy efficiency measures or the development of alternatives
31 thereto, including the development, drafting, and
32 recommendation of proposed state or federal legislation.

33 c. The commission is hereby authorized to do all things
34 necessary and incidental to the administration of its
35 functions under this compact.

1 ARTICLE IV -- FINANCE

2 a. The commission shall submit to the governor of each
3 member state a budget of its estimated expenditures for the
4 period required by the laws of that state for presentation to
5 the legislature of that state.

6 b. The moneys necessary to finance the general operations
7 of the commission not otherwise provided for in carrying forth
8 its duties, responsibilities, and powers as stated herein
9 shall be appropriated to the commission by the member states,
10 when authorized by the respective legislatures.

11 Appropriations by member states for the financing of the
12 operations of the commission in the initial biennium of the
13 compact shall be in the amount of fifty thousand dollars for
14 each member state. Thereafter the total amount of
15 appropriations requested shall be apportioned among the member
16 states in the manner determined by the commission. Failure of
17 a member state to provide its share of financing is cause for
18 the state to lose its membership in the compact.

19 c. The commission shall not incur any obligations of any
20 kind prior to the making of appropriations adequate to meet
21 the same, nor shall the commission pledge the credit of any of
22 the member states, except by and with the authority of the
23 member state.

24 d. The commission shall keep accurate accounts of all
25 receipts and disbursements. The receipts and disbursements of
26 the commission shall be subject to the audit and accounting
27 procedures established under its bylaws. However, all
28 receipts and disbursements of funds handled by the commission
29 shall be audited yearly by a certified or licensed public
30 accountant and the report of the audit shall be included in
31 and become part of the annual report of the commission.

32 e. The accounts of the commission shall be open for
33 inspection at any reasonable time.

34 ARTICLE V -- ELIGIBLE PARTIES, ENTRY INTO FORCE,
35 WITHDRAWAL, AND TERMINATION

1 a. Any state contiguous to Iowa may become a member of
2 this compact.

3 b. This compact shall become effective initially when
4 enacted into law by any five states and in additional states
5 upon their enactment of the same into law.

6 c. Any member state may withdraw from this compact by
7 enacting a statute repealing the compact, but such withdrawal
8 shall not become effective until one year after the enactment
9 of the repealing statute and the notification of the
10 commission thereof by the governor of the withdrawing state.
11 A withdrawing state shall be liable for any obligations which
12 it incurred on account of its membership up to the effective
13 date of withdrawal, and if the withdrawing state has
14 specifically undertaken or committed itself to any performance
15 of an obligation extending beyond the effective date of
16 withdrawal, it shall remain liable to the extent of that
17 obligation.

18 d. This compact shall terminate one year after the
19 notification of withdrawal by the governor of any member state
20 which reduces the total membership in the compact to less than
21 five states.

22 Sec. 16. Section 159.5, Code 1991, is amended by adding
23 the following new subsection:

24 NEW SUBSECTION. 16. Support alternative energy
25 demonstration projects on farms.

26 Sec. 17. NEW SECTION. 159.38 IOWA OFFICE FOR ETHANOL
27 RESEARCH AND TECHNOLOGY -- ESTABLISHED.

28 The department shall establish an Iowa office for ethanol
29 research and technology within the department to coordinate
30 and initiate research and demonstration projects related to
31 ethanol. The department shall coordinate research and
32 demonstration project efforts at the regents' universities in
33 regard to the use of alternative agricultural products and
34 distillation efforts, and shall study the feasibility of
35 opening processing plants which are dry milling ethanol

1 facilities.

2 Sec. 18. Section 266.39C, Code 1991, is amended by adding
3 the following new subsections:

4 NEW SUBSECTION. 5. The Iowa energy center shall develop a
5 competitive grants program for comprehensive, in-depth
6 community-wide projects to reduce energy consumption and
7 enhance energy self-sufficiency. Cities, clusters of cities,
8 and counties with populations of five thousand or fewer are
9 eligible to apply for grants. Applications may be limited to
10 building efficiency or vehicle efficiency or may contain both
11 and shall contain a component for ongoing education concerning
12 the goals of the plan and how to achieve those goals.

13 NEW SUBSECTION. 6. The Iowa energy center shall develop a
14 program to provide assistance for the subsidization of the
15 costs of weatherization and other energy efficiency efforts of
16 rural residents.

17 NEW SUBSECTION. 7. The Iowa energy center, in cooperation
18 with the state department of transportation, shall conduct a
19 feasibility study of the development and implementation of a
20 "rail through rural Iowa" program to provide intrastate rail
21 connections between rural and urban areas of the state. The
22 center shall submit a report to the governor and the general
23 assembly by January 1992 regarding the feasibility of such a
24 program.

25 NEW SUBSECTION. 8. The Iowa energy center shall expand
26 consumer education programs at the center to promote energy
27 efficiency and the use of alternative energy systems. The
28 center shall also cooperate with the state board of education
29 in developing a curriculum which promotes energy efficiency
30 and conservation.

31 Sec. 19. Section 307.10, Code 1991, is amended by adding
32 the following new subsections:

33 NEW SUBSECTION. 8. Promote the efforts of political
34 subdivisions in developing energy efficient public transit
35 systems including bus and rail systems.

1 NEW SUBSECTION. 9. Promote the development of rural bus
2 systems.

3 NEW SUBSECTION. 10. Develop and implement a bus system
4 subsidization program.

5 NEW SUBSECTION. 11. Develop a vanpool program and act as
6 a resource and referral source for vanpoolers in the state.

7 NEW SUBSECTION. 12. Develop and implement an interest-
8 free loan program to provide financial assistance to persons
9 owning and operating vanpool businesses in the state.

10 NEW SUBSECTION. 13. Conduct a comprehensive
11 transportation planning study to examine pedestrian
12 accessibility in new commercial development.

13 Sec. 20. NEW SECTION. 422.47D REFUNDS -- FUEL-EFFICIENT
14 AUTOMOBILE PURCHASE.

15 1. Sales on use tax paid on the purchase of a fuel-
16 efficient motor vehicle shall be refunded to the purchaser
17 provided all of the following conditions are met:

18 a. The purchase was made on or after July 1, 1991.

19 b. The tax was paid to the retailer or timely paid to the
20 department by the user if section 423.14 applies.

21 c. The claim is filed on forms provided by the department
22 and is filed during the three months following the fiscal year
23 in which the purchase was made.

24 2. A claim for refund timely filed under subsection 1
25 shall be paid by the department within ninety days after
26 receipt of the claim. A claimant who makes an erroneous
27 application for refund shall be liable for payment of any
28 refund paid plus interest at the rate in effect under section
29 421.7. In addition, a claimant who willfully makes a false
30 application for refund is guilty of a simple misdemeanor and
31 is liable for a penalty equal to fifty percent of the refund
32 claimed. Refunds, penalties, and interest due under this
33 section may be enforced and collected in the same manner as
34 the tax imposed by this division.

35 3. For the purposes of this section, "fuel-efficient motor

1 vehicle" means a motorized vehicle designed primarily for
2 carrying nine passengers or less, excluding motorcycles and
3 motorized bicycles, for which the average fuel efficiency
4 exceeds by at least five miles per gallon the average fuel
5 economy standard for the vehicle's model year as established
6 by the United States secretary of transportation under 15
7 U.S.C. § 2002.

8 Sec. 21. Section 470.1, subsections 1 and 2, Code 1991,
9 are amended to read as follows:

10 1. "Public agency" means a ~~county, city, school district,~~
11 ~~school corporation or combination thereof or an executive~~
12 ~~board, commission, bureau, division, office or department of~~
13 the state agency, political subdivision of the state, school
14 district, area education agency, or community college.

15 2. "Facility" means a building having twenty thousand
16 square feet or more of usable floor space that is heated or
17 cooled by a mechanical or electrical system or any building,
18 system, or physical operation which consumes more than forty
19 thousand British thermal units (BTUs) per square foot per
20 year.

21 Sec. 22. Section 470.1, Code 1991, is amended by adding
22 the following new subsections:

23 NEW SUBSECTION. 8. "Commissioner" means the state
24 building code commissioner.

25 NEW SUBSECTION. 9. "Department" means the department of
26 natural resources.

27 NEW SUBSECTION. 10. "Director" means the director of the
28 department of natural resources.

29 Sec. 23. Section 470.3, subsection 2, Code 1991, is
30 amended to read as follows:

31 2. A public agency or a person preparing a life cycle cost
32 analysis for a public agency shall consider the methods and
33 analytical models provided by the department ~~of natural~~
34 ~~resources~~ and available through the ~~state building code~~
35 commissioner, which are suited to the purpose for which the

1 project is intended. Within sixty days of final selection of
2 a design architect or engineer, a public agency, which is also
3 a state agency under section 19.34, shall notify the state
4 building-code commissioner and the department of-natural
5 resources of the methodology to be used to perform the life
6 cycle cost analysis on forms provided by the department of
7 natural-resources.

8 Sec. 24. Section 470.7, Code 1991, is amended to read as
9 follows:

10 470.7 LIFE CYCLE COST ANALYSIS -- APPROVAL.

11 The public agency responsible for the new construction or
12 renovation of a public facility shall submit a copy of the
13 life cycle cost analysis for review by the state-building-code
14 commissioner who shall consult with the department of-natural
15 resources. If the public agency is also a state agency under
16 section 19.34, comments by the department of-natural-resources
17 or the state-building-code commissioner, including any
18 recommendation for changes in the analysis, shall, within
19 thirty days of receipt of the analysis, be forwarded in
20 writing to the public agency. If either the department or the
21 commissioner disagrees with any aspects of the life cycle cost
22 analysis, the public agency affected shall timely respond in
23 writing to the state-building-code commissioner and the
24 department of-natural-resources. The response shall indicate
25 whether the agency intends to implement the recommendations
26 and, if the agency does not intend to implement them, the
27 public agency shall present its reasons. The reasons may
28 include, but are not limited to, a description of the purpose
29 of the facility or renovation, preservation of historical
30 architectural features, architectural and site considerations,
31 and health and safety concerns.

32 Within thirty days of receipt of the response of the public
33 agency affected, the department, the commissioner, or both,
34 shall notify in writing the public agency affected of the
35 department's, the commissioner's, or both's agreement or

1 disagreement with the response. In the event of a
2 disagreement, the department, the commissioner, or both, shall
3 at the same time transmit the notification of disagreement
4 with response and related papers to the executive council for
5 resolution pursuant to section 19.34. The life cycle cost
6 analysis process, including submittal and approval, and
7 implementation exemption requests pursuant to section 470.8,
8 shall be completed prior to the letting of contracts for the
9 construction or renovation of a facility.

10 Sec. 25. NEW SECTION. 470.8 LIFE CYCLE COST ANALYSIS --
11 IMPLEMENTATION AND EXEMPTIONS.

12 The public agency responsible for the new construction or
13 renovation of a public facility shall implement the
14 recommendations of the life cycle cost analysis.

15 The commissioner, in consultation with the director, shall,
16 by rule, develop criteria to exempt facilities from the
17 implementation requirements of this section. Using the
18 criteria, the commissioner, in cooperation with the director,
19 shall exempt facilities on a case by case basis. Factors to
20 be considered when developing the exemption criteria shall
21 include, but not be limited to a description of the purpose of
22 the facility or renovation, the preservation of historical
23 architectural features, site considerations, and health and
24 safety concerns. The commissioner and the director shall
25 grant or deny a request for exemption from the requirements of
26 this section within thirty days of receipt of the request.

27 Sec. 26. Section 476.6, subsection 19, Code 1991, is
28 amended by adding the following new paragraph:

29 NEW PARAGRAPH. g. A rate-regulated utility required to
30 submit an energy efficiency plan under this subsection shall
31 cooperate with state agencies and political subdivisions in
32 developing and implementing the plans.

33 Sec. 27. NEW SECTION. 476.64 ENERGY SAVINGS CREDIT PLAN
34 CREATED.

35 The board shall establish an energy savings credit program

1 to require each electric and gas public utility to provide a
2 credit to businesses which implement a net energy savings
3 plan.

4 Sec. 28. Section 556.18, subsection 3, Code 1991, is
5 amended to read as follows:

6 3. After July 1, 1988, the treasurer of state shall
7 annually credit ~~the first one hundred fifty thousand dollars~~
8 ~~of all moneys received under section 556.4 to the energy~~
9 ~~research and development fund created under section 93.147 and~~
10 ~~shall credit all additional moneys received under section~~
11 ~~556.4 to the energy crisis fund created under section 601K.102~~
12 established in the energy conservation trust under section
13 93.11.

14 Sec. 29. Section 601K.102, subsection 2, paragraph b, Code
15 1991, is amended by striking the paragraph.

16 Sec. 30. TELECOMMUTING PILOT PROJECT -- STATE EMPLOYEES.

17 The department of management, in cooperation with the
18 department of natural resources, division of energy and
19 geological resources, shall conduct a pilot project to
20 implement telecommuting as an alternative for state employees,
21 including but not limited to those whose primary duties and
22 services are typically performed by phone or upon a computer,
23 and who currently have access to a computer or other
24 telecommunication equipment at work. The department of
25 management shall submit a report of the progress of the pilot
26 project to the general assembly by January 15, 1992.

27 Sec. 31. Section 93.14, Code 1991, is repealed.

28

EXPLANATION

29 This bill expands the entities entitled to financial
30 assistance under the energy bank program, entitled to loans
31 under the energy loan fund, and entitled to self-liquidating
32 financing agreements with the department of natural resources,
33 for the costs of implementing energy conservation measures, to
34 include the state, state agencies, certain political
35 subdivisions of the state, and nonprofit organizations who are

1 exempt from federal income taxation under section 501(c)(3) of
2 the Internal Revenue Code. It provides moneys from the
3 petroleum overcharge fund to conduct comprehensive engineering
4 analyses for school districts and energy audits and
5 comprehensive engineering analyses for state agencies and
6 political subdivisions of the state. It expands the
7 definition of energy conservation measure to include the
8 construction, rehabilitation, acquisition, or modification of
9 an installation in a facility or a vehicle rather than
10 limiting it to a building.

11 Additionally, the bill changes the definition of public
12 agency and adds a building, system or physical operation which
13 consumes more than 40,000 BTUs per square foot per year to the
14 definition of facility in section 470.1. The bill also adds
15 the definitions of commissioner, department, and director to
16 section 470.1. The bill requires the entire life cycle cost
17 analysis process, which includes the submission for review and
18 approval by the commissioner and the department and any
19 request for exemption from the implementation requirements, to
20 be completed prior to contracting for the construction or
21 renovation of a government facility.

22 This bill requires that the life cycle cost analysis be
23 implemented by the responsible public agency. In addition, it
24 allows for implementation exemptions for certain facilities
25 which meet criteria developed by the commissioner and the
26 department. Standards for the criteria must include, but are
27 not limited to a description of the purpose of the facility or
28 renovation, the preservation of historical architectural
29 features, site considerations, and health and safety concerns.

30 This bill also moves the energy research and development
31 fund into the energy conservation trust which makes abandoned
32 utility refunds and deposits subject to legislative
33 appropriation.

34 This bill also provides for the development and adoption of
35 efficiency standards for nonconsumer appliances, lighting,

1 exit signs, and plumbing products.

2 This bill requires the state motor vehicle dispatcher and
3 any other state agency purchasing motor vehicles beginning
4 July 1, 1991, to purchase vehicles with engines which utilize
5 ethanol fuel at a minimum of 10 percent of all the vehicles
6 purchased.

7 The bill establishes a midwest energy compact to study and
8 make recommendations regarding energy efficiency; requires the
9 department of agriculture and land stewardship to support
10 alternative energy demonstration projects on farms and to
11 establish an Iowa ethanol office in the department to
12 coordinate and initiate research and demonstration projects
13 related to ethanol; requires the Iowa energy center to develop
14 a competitive grants program for comprehensive, in-depth
15 community-wide projects to recover energy consumption and
16 enhance energy self-sufficiency, to develop an assistance
17 program to subsidize the costs of weatherization and other
18 energy efficiency efforts of rural residents, to conduct a
19 feasibility study for a "rail through rural Iowa" program, and
20 to expand consumer education regarding energy efficiency and
21 alternative energy systems; and requires the state department
22 of transportation to promote the efforts of political
23 subdivisions to develop public transit systems in rural areas,
24 to develop a bus subsidization program, to develop a vanpool
25 program, and to conduct a study of pedestrian accessibility in
26 new commercial development.

27 The bill also provides for a sales and use tax credit for
28 the purchase of fuel-efficient motor vehicles, requires each
29 gas and electric public utility to provide a credit to
30 businesses which implement a net energy savings plan, and
31 requires the department of management to conduct a pilot
32 project to provide for telecommuting for certain state
33 employees.

34 The bill may include a state mandate as defined in section
35 25B.3.

SENATE FILE 508

AN ACT

RELATING TO ENERGY EFFICIENCY BY EXPANDING THE ENTITIES ENTITLED TO FINANCIAL ASSISTANCE FOR IMPLEMENTING ENERGY CONSERVATION MEASURES, REQUIRING IMPLEMENTATION OF LIFE CYCLE COST ANALYSES AND PROVIDING EXEMPTIONS FROM THE IMPLEMENTATION REQUIREMENTS, REQUIRING THE APPROPRIATION OF ABANDONED UTILITY REFUNDS AND DEPOSITS, ESTABLISHING ENERGY EFFICIENCY STANDARDS FOR CERTAIN PRODUCTS AND ESTABLISHING VARIOUS ENERGY EFFICIENCY-RELATED PROGRAMS AND PROJECTS.

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

Section 1. Section 18.115, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. Of all new passenger vehicles and light pickup trucks purchased by the state vehicle dispatcher, institutions under the control of the state board of regents, community colleges, and any other state agency purchasing such new vehicles and trucks, beginning July 1, 1992, a minimum of five percent, and beginning July 1, 1994, a minimum of ten percent of all such vehicles and trucks purchased shall be equipped with engines which utilize alternative methods of propulsion including but not limited to those propelled by flexible fuels, compressed natural gas, propane, solar energy, or electricity. For the purpose of this subsection, "flexible fuels" means fuels which are blended with eighty-five percent ethanol and fifteen percent gasoline. The provisions of this subsection do not apply to such vehicles and trucks purchased for the following purposes: law enforcement, off-road maintenance work, or work vehicles used to pull loaded trailers. This subsection also does not apply to school

corporations, with the exceptions of those designated above. It is the intent of the general assembly that the members of the midwest energy compact promote the development and purchase of motor vehicles equipped with engines which utilize alternative methods of propulsion.

Sec. 2. Section 93.11, subsection 1, paragraph d, Code 1991, is amended to read as follows:

d. Unless prohibited by the conditions applying to a settlement, the petroleum overcharge moneys in the energy conservation trust 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 trust subject to the approval of the attorney general.

Sec. 3. Section 93.11, subsection 1, Code 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. The moneys deposited in the energy research and development fund shall be used for research and development of selected projects to improve Iowa's energy independence by developing improved methods of energy efficiency, or by increased development and use of Iowa's renewable nonresource-depleting energy resources. The moneys credited to the fund under section 556.18 shall be used for energy conservation and alternative energy resource projects. The projects shall be selected by the director and administered by the department. Selection criteria for funded projects shall include consideration of indirect restitution to those persons in the state in the utility customer classes and the utility service territories affected by unclaimed utility refunds or deposits.

Notwithstanding the provisions of this section directing that moneys be deposited into the energy research and development fund, for the fiscal period beginning July 1, 1991, and ending June 30, 1993, all moneys shall be deposited into the general fund of the state. There is appropriated

annually from the general fund of the state the sum of one hundred fifty thousand dollars to be used for the purposes of this section.

Sec. 4. Section 93.11, subsection 5, Code 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. The energy research and development fund.

Sec. 5. Section 93.11, subsection 6, Code 1991, is amended to read as follows:

6. The moneys in the fund in the energy conservation trust 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 petroleum overcharge moneys from the fund in the trust for other projects only if the project meets one or more of the following conditions:

Sec. 6. Section 93.13A, Code 1991, is amended to read as follows:

93.13A ENERGY CONSERVATION MEASURES IDENTIFIED AND IMPLEMENTED.

The state, state agencies, political subdivisions of the state, schools, school districts, area education agencies, and community colleges shall identify and implement, through energy audits and engineering analyses, all energy conservation measures identified for which financing is made available by the department to the entity. The energy conservation measure financings shall be supported through payments from energy savings.

The department shall not require a school district, area school, community college, area education agency, city, or county to perform an engineering analysis if the school

district, community college, area education agency, city, or county demonstrates to the department that the facility which is the subject of the proposed engineering analysis at issue is unlikely to be in use or operation in six years by the governmental entity currently using or occupying the facility.

Sec. 7. Section 93.19, Code 1991, is amended to read as follows:

93.19 ENERGY BANK PROGRAM.

The energy bank program is established by the department. The energy bank program consists of the following forms of assistance for school-districts, area-education-agencies, cities, counties, and community colleges the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations:

1. Providing moneys from the petroleum overcharge fund for conducting energy audits for school districts under section 279.44 for conducting comprehensive engineering analyses for school districts and for conducting energy audits and comprehensive engineering analyses for state agencies, and political subdivisions of the state.

2. Providing loans, leases, and other methods of alternative financing from the energy loan fund established in section 93.20 and section 93.20A for school-districts, community-colleges, area-education-agencies, cities and counties the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations to implement energy conservation measures.

3. Serving as a source of technical support for energy conservation management.

4. Providing assistance for obtaining insurance on the energy savings expected to be realized from the implementation of energy conservation measures.

5. ~~Providing self-liquidating financing for school districts; community colleges; area education agencies; cities; and counties; the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations pursuant to section 93.20A.~~

For the purpose of this section, section 93.20, and section 93.20A, "energy conservation measure" means construction, rehabilitation, acquisition, or modification of an installation in a building facility or vehicle which is intended to reduce energy consumption, or energy costs, or both, or allow the use of an alternative energy source, which may contain integral control and measurement devices. "Nonprofit organization" means an organization exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code.

Sec. 8. Section 93.20, Code 1991, is amended to read as follows:

93.20 ENERGY LOAN FUND.

An energy loan fund is established in the office of the treasurer of state to be administered by the department.

1. The department may make loans to ~~school districts; community colleges; area education agencies; cities; and counties~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations for implementation of energy conservation measures identified in a comprehensive engineering analysis. Loans shall not be made for energy conservation measures that require more than an average of six years for the ~~school district; community college; area education agency; city and county~~ state, state agency, political subdivision of the state, school district, area education agency, community college, or nonprofit organization as an entity to recoup the actual or projected cost of construction and acquisition of the improvements; and

cost of the engineering plans and specifications. For a ~~school district; community college; area education agency; city or county~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations to receive a loan from the fund, the department shall require completion of an energy management plan including an energy audit and a comprehensive engineering analysis. The department shall approve loans made under this section.

2. Cities and counties shall repay the loans from moneys in their debt service funds. Area education agencies shall repay the loans from any moneys available to them.

School districts and community colleges may enter into financing arrangements with the department or its duly authorized agents or representatives obligating the school district or community college to make payments on the loans beyond the current budget year of the school district or community college. Chapter 75 shall not be applicable. School districts shall repay the loans from moneys in either their general fund or schoolhouse fund. Community colleges shall repay the loans from their general fund. Other entities receiving loans under this section shall repay the loans from any moneys available to them.

3. The department may accept gifts, federal funds, state appropriations, and other moneys for deposit in the energy loan fund or may fund the energy loan fund in accordance with section 93.20A.

4. For the purpose of this section, "loans" means loans, leases, or alternative financing arrangements.

5. ~~A school district; community college; area education agency; city or county~~ The state, state agencies, political subdivisions of the state, school districts, area education agencies, and community colleges shall design and construct the most energy cost-effective facilities feasible and shall use the financing made available by the department to cover

the incremental costs above minimum building code energy efficiency standards of purchasing energy efficient devices and materials unless other lower cost financing is available. As used in this section, "facility" means a structure that is heated or cooled by a mechanical or electrical system, or any system of physical operation that consumes energy to carry out a process.

6. The department shall not require a ~~school-district, community-college, area-education-agency, city, or county~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, and community colleges to implement a specific energy conservation measure identified in a comprehensive engineering analysis if the ~~political-subdivision entity~~ entity which prepared the analysis demonstrates to the department that the facility which is the subject of the energy conservation measure is unlikely to be used or operated for the full period of the expected payback of the energy conservation measure.

Sec. 9. Section 93.20A, Code 1991, is amended to read as follows:

93.20A SELF-LIQUIDATING FINANCING.

1. The department of natural resources may enter into financing agreements with ~~school-districts, community colleges, area-education-agencies, cities, or counties~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, or nonprofit organizations in order to provide the financing to pay the costs of furnishing energy conservation measures. The provisions of section 93.20 defining eligible energy conservation measures and the method of repayment of the loans apply to financings under this section.

The financing agreement may contain provisions, including interest, term, and obligations to make payments on the financing agreement beyond the current budget year, as may be agreed upon between the department of natural resources and

~~the school-district, community-college, area-education-agency, city, or county~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, or nonprofit organizations.

2. For the purpose of funding its obligation to furnish moneys under the financing agreements, or to fund the energy loan fund created in section 93.20, the treasurer of state, with the assistance of the department of natural resources, or the treasurer of state's duly authorized agents or representatives, may incur indebtedness or enter into master lease agreements or other financing arrangements to borrow to accomplish energy conservation measures, or the department of natural resources may enter into master lease agreements or other financing arrangements to permit ~~school-districts, area education-agencies, community-colleges, cities, or counties~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, or nonprofit organizations to borrow sufficient funds to accomplish the energy conservation measure. The obligations may be in such form, for such term, bearing such interest and containing such provisions as the department of natural resources, with the assistance of the treasurer of state, deems necessary or appropriate. Funds remaining after the payment of all obligations have been redeemed shall be paid into the energy loan fund.

3. ~~School-districts, community-colleges, area-education agencies, cities, or counties~~ The state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations may enter into financing agreements and issue obligations necessary to carry out the provisions of the chapter. Chapter 75 shall not be applicable.

Sec. 10. NEW SECTION. 93.42 EXIT SIGNS -- STANDARDS.

The department shall adopt rules which require the use of compact fluorescent bulbs in exit signs at the time of

replacement, but no later than July 1, 2001. Prior to the adoption of rules, the department shall promote, through educational materials, the use of compact fluorescent bulbs or lighting of greater efficiency in exit signs.

Sec. 11. NEW SECTION. 91.41 PLUMBING PRODUCTS EFFICIENCY STANDARDS.

1. The department shall adopt rules which prescribe water use standards for each product classified as a covered product under this section. The standards adopted shall be designed to achieve the maximum efficiency of water use which the department determines is technologically and economically feasible. The department shall consult with the state building code commissioner, the Iowa department of public health, and the plumbing manufacturers' institute, and shall review all applicable provisions under chapter 103A and chapter 135 in establishing the standards.

2. A person who knowingly violates this section is subject to a civil penalty of not more than one hundred dollars for each violation. Local government subdivisions which enforce the standards adopted under this section may collect and utilize receipts from the penalties imposed for building code inspections and enforcement of this section.

3. For the purposes of this section, "covered products" means water closets, urinals, showerheads, lavatory faucets and replacement aerators, and kitchen faucets and replacement aerators.

Sec. 12. NEW SECTION. 93A.1 MIDWEST ENERGY COMPACT.

The midwest energy compact is enacted into law and entered into with all other states which legally join in the compact in substantially the following form:

INTERSTATE COMPACT ON ENERGY

ARTICLE I -- PURPOSE

It is the purpose of this compact to protect, preserve, and enhance:

a. The economic and general welfare of citizens of the joining states by increasing energy efficiency and energy independence.

b. The economies and very existence of local communities in such states, the economies of which are dependent upon imported energy sources.

ARTICLE II -- COMMISSION

a. Organization and management

1. There is hereby created an agency of the member states to be known as the interstate midwest energy commission, hereinafter called the commission. The commission shall consist of three residents of each member state who shall have a background in energy efficiency and who shall be appointed as follows: One member appointed by the governor, who shall serve at the pleasure of the governor; one senator appointed in the manner prescribed by the senate of the state, except that in Iowa the appointment shall be made by the president of the senate, after consultation with the majority leader and the minority leader of the senate, and except that two senators may be appointed by the governor of the state of Nebraska from the unicameral legislature of the state of Nebraska; and one member of the house of representatives appointed in the manner prescribed by the house of representatives of the state. The member first appointed by the governor shall serve for a term of one year and the senator and representative first appointed shall each serve for a term of two years. Thereafter all members appointed shall serve for two-year terms. The attorneys general of member states or assistants designated by the attorneys general shall be nonvoting members of the commission.

2. Each member shall be entitled to one vote. A member must be present to vote and no voting by proxy shall be permitted. The commission shall not act unless a majority of the voting members are present, and no action shall be binding unless approved by a majority of the total number of voting members present.

3. The commission shall be a body corporate of each member state and shall adopt an official seal to be used as it may provide.

4. The commission shall hold an annual meeting and other regular meetings as its bylaws may provide and special meetings as its executive committee may determine. The commission bylaws shall specify the dates of the annual and any other regular meetings, and shall provide for the giving of notice of annual, regular, and special meetings. Notices of special meetings shall include the reasons therefor and an agenda of the items to be considered.

5. The commission shall elect annually, from among its voting members, a chairperson, a vice chairperson, and a treasurer. The commission shall appoint an executive director who shall serve at its pleasure, and shall fix the duties and compensation of the director. The executive director shall be secretary of the commission. The commission shall make provision for the bonding of those of its officers and employees as it may deem appropriate.

6. Irrespective of the civil service, personnel, or other merit system laws of any member state, the executive director shall appoint or discharge personnel as may be necessary for the performance of the functions of the commission and shall fix, with the approval of the commission, their duties and compensation. The commission bylaws shall provide for personnel policies and programs. The commission may establish and maintain, independently of or in conjunction with any one or more of the member states, a suitable retirement system for its full-time employees. Employees of the commission shall be eligible for social security coverage in respect of old age and survivors insurance provided that the commission takes steps as may be necessary pursuant to federal law to participate in the program of insurance as a governmental agency or unit. The commission may establish and maintain or participate in additional programs of employee benefits as may

be appropriate. The commission may borrow, accept, or contract for the services of personnel from any state, the United States, or any other governmental entity.

7. The commission may accept for any of its purposes and functions any and all donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any governmental entity, and may utilize and dispose of the same.

8. The commission may establish one or more offices for the transacting of its business.

9. The commission shall adopt bylaws for the conduct of its business. The commission shall publish its bylaws in convenient form, and shall file a copy of the bylaws and any amendments thereto with the appropriate agency or officer in each of the member states.

10. The commission annually shall make to the governor and legislature of each member state a report covering its activities for the preceding year. Any donation or grant accepted by the commission or services borrowed shall be reported in the annual report of the commission, and shall include the nature, amount, and conditions, if any, of the donation, gift, grant, or services borrowed and the identity of the donor or lender. The commission may make additional reports as it may deem desirable.

b. Committees

1. The commission may establish committees from its membership as its bylaws may provide for the carrying out of its functions.

ARTICLE III -- POWERS AND DUTIES OF COMMISSION

a. The commission shall conduct comprehensive and continuing studies and investigations of energy efficiency measures and their relationship to and effect upon the citizens and economies of the member states.

b. The commission shall make recommendations for the correction of weaknesses and solutions to problems in present

energy efficiency measures or the development of alternatives thereto, including the development, drafting, and recommendation of proposed state or federal legislation.

c. The commission is hereby authorized to do all things necessary and incidental to the administration of its functions under this compact.

ARTICLE IV -- FINANCE

a. The commission shall submit to the governor of each member state a budget of its estimated expenditures for the period required by the laws of that state for presentation to the legislature of that state.

b. The moneys necessary to finance the general operations of the commission not otherwise provided for in carrying forth its duties, responsibilities, and powers as stated herein shall be appropriated to the commission by the member states, when authorized by the respective legislatures.

Appropriations by member states for the financing of the operations of the commission in the initial biennium of the compact shall be in the amount of fifty thousand dollars for each member state. Thereafter the total amount of appropriations requested shall be apportioned among the member states in the manner determined by the commission. Failure of a member state to provide its share of financing is cause for the state to lose its membership in the compact.

c. The commission shall not incur any obligations of any kind prior to the making of appropriations adequate to meet the same, nor shall the commission pledge the credit of any of the member states, except by and with the authority of the member state.

d. The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the commission shall be audited yearly by a certified or licensed public

accountant and the report of the audit shall be included in and become part of the annual report of the commission.

e. The accounts of the commission shall be open for inspection at any reasonable time.

ARTICLE V -- ELIGIBLE PARTIES, ENTRY INTO FORCE,
WITHDRAWAL, AND TERMINATION

a. Any state contiguous to Iowa may become a member of this compact.

b. This compact shall become effective initially when enacted into law by any five states and in additional states upon their enactment of the same into law.

c. Any member state may withdraw from this compact by enacting a statute repealing the compact, but such withdrawal shall not become effective until one year after the enactment of the repealing statute and the notification of the commission thereof by the governor of the withdrawing state. A withdrawing state shall be liable for any obligations which it incurred on account of its membership up to the effective date of withdrawal, and if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it shall remain liable to the extent of that obligation.

d. This compact shall terminate one year after the notification of withdrawal by the governor of any member state which reduces the total membership in the compact to less than five states.

Sec. 13. Section 266.39C, Code 1991, is amended by adding the following new subsections:

NEW SUBSECTION. 6. The Iowa energy center shall develop a program to provide assistance to rural residents for energy efficiency efforts.

NEW SUBSECTION. 7. The Iowa energy center, in cooperation with the state department of transportation, shall conduct a feasibility study of the development and implementation of a

"rail through rural Iowa" program to provide interstate passenger rail service connections. The center shall submit a report to the governor and the general assembly by January 1992 regarding the feasibility of such a program. Funding for the center derived from the assessment on the revenues of utilities pursuant to section 476.10A shall not be expended to fulfill the requirements of this subsection.

NEW SUBSECTION. 8. The Iowa energy center shall cooperate with the state board of education in developing a curriculum which promotes energy efficiency and conservation.

Sec. 14. Section 307.10, Code 1991, is amended by adding the following new subsections:

NEW SUBSECTION. 8. Promote the efforts of political subdivisions in developing energy efficient public transit systems including bus and rail systems.

NEW SUBSECTION. 9. Promote the development of rural bus systems.

NEW SUBSECTION. 10. Develop and implement a bus system subsidization program.

NEW SUBSECTION. 11. Act as a resource and referral source for vanpoolers in the state.

NEW SUBSECTION. 12. Conduct a comprehensive transportation planning study to examine pedestrian accessibility in new commercial development.

NEW SUBSECTION. 13. Establish transit accessibility impact guidelines by July 1, 1992, to be used in evaluating proposals for the construction or acquisition of publicly financed facilities.

NEW SUBSECTION. 14. Develop statistical measures to ascertain the impact of public transit systems on the minimization of motor vehicle accidents and reduction in fuel utilization by July 1, 1992, and the impact of public transit systems on the reduction of hazardous emissions of mobile sources, as identified pursuant to Title II of the federal Clean Air Act of 1990, Pub. L. No. 101-549, by July 1, 1993.

NEW SUBSECTION. 15. By July 1, 1992, create a statewide transit services marketing steering committee which includes providers, consumer advocates, and public relations representatives. The committee shall develop criteria for the evaluation of the adequacy and public awareness of transit service delivery by January 1, 1993.

Sec. 15. Section 364.24, Code 1991, is amended to read as follows:

364.24 TRAFFIC LIGHT SYNCHRONIZATION.

After July 1, 1992, all cities with more than three traffic lights within the corporate limits shall establish a traffic light synchronization program for energy efficiency in accordance with rules adopted by the state department of transportation. The state department of transportation shall adopt rules required by this section by July 1, 1990. This section does not require that a city replace lighting, which has not completed its useful life, in order to comply with the requirements of this section. However, all lighting shall be replaced, whether or not it has completed its useful life, by July 1, 2001.

Sec. 16. Section 364.23, Code 1991, is amended to read as follows:

364.23 ENERGY EFFICIENT LIGHTING REQUIRED.

All city-owned exterior flood lighting, including but not limited to, street and security lighting but not including era or period lighting which has a minimum efficiency rating of fifty-eight lumens per watt, shall be replaced, when worn-out, exclusively with high pressure sodium lighting or lighting with equivalent or better energy efficiency as approved in rules adopted by the utilities board within the utilities division of the department of commerce.

Sec. 17. Section 470.1, subsections 1 and 2, Code 1991, are amended to read as follows:

1. "Public agency" means a county; city; school district; school corporation or combination thereof or an executive

~~board, commission, bureau, division, office or department of the state agency, political subdivision of the state, school district, area education agency, or community college.~~

2. "Facility" means a building having twenty thousand square feet or more of usable floor space that is heated or cooled by a mechanical or electrical system or any building system, or physical operation which consumes more than forty thousand British thermal units (BTUs) per square foot per year.

Sec. 18. Section 470.1, Code 1991, is amended by adding the following new subsections:

NEW SUBSECTION. 8. "Commissioner" means the state building code commissioner.

NEW SUBSECTION. 9. "Department" means the department of natural resources.

NEW SUBSECTION. 10. "Director" means the director of the department of natural resources.

Sec. 19. Section 470.3, subsection 2, Code 1991, is amended to read as follows:

2. A public agency or a person preparing a life cycle cost analysis for a public agency shall consider the methods and analytical models provided by the department of natural resources and available through the state-building-code commissioner, which are suited to the purpose for which the project is intended. Within sixty days of final selection of a design architect or engineer, a public agency, which is also a state agency under section 19.34, shall notify the state building-code commissioner and the department of natural resources of the methodology to be used to perform the life cycle cost analysis on forms provided by the department of natural resources.

Sec. 20. Section 470.7, Code 1991, is amended to read as follows:

470.7 LIFE CYCLE COST ANALYSIS -- APPROVAL.

The public agency responsible for the new construction or renovation of a public facility shall submit a copy of the life cycle cost analysis for review by the state-building-code commissioner who shall consult with the department of natural resources. If the public agency is also a state agency under section 19.34, comments by the department of natural resources or the state-building-code commissioner, including any recommendation for changes in the analysis, shall, within thirty days of receipt of the analysis, be forwarded in writing to the public agency. If either the department or the commissioner disagrees with any aspects of the life cycle cost analysis, the public agency affected shall timely respond in writing to the state-building-code commissioner and the department of natural resources. The response shall indicate whether the agency intends to implement the recommendations and, if the agency does not intend to implement them, the public agency shall present its reasons. The reasons may include, but are not limited to, a description of the purpose of the facility or renovation, preservation of historical architectural features, architectural and site considerations, and health and safety concerns.

Within thirty days of receipt of the response of the public agency affected, the department, the commissioner, or both, shall notify in writing the public agency affected of the department's, the commissioner's, or both's agreement or disagreement with the response. In the event of a disagreement, the department, the commissioner, or both, shall at the same time transmit the notification of disagreement with response and related papers to the executive council for resolution pursuant to section 19.34. The life cycle cost analysis process, including submittal and approval, and implementation exemption requests pursuant to section 470.8, shall be completed prior to the letting of contracts for the construction or renovation of a facility.

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Sec. 21. NEW SECTION. 470.8 LIFE CYCLE COST ANALYSIS -- IMPLEMENTATION AND EXEMPTIONS.

The public agency responsible for the new construction or renovation of a public facility shall implement the recommendations of the life cycle cost analysis.

The commissioner, in consultation with the director, shall, by rule, develop criteria to exempt facilities from the implementation requirements of this section. Using the criteria, the commissioner, in cooperation with the director, shall exempt facilities on a case by case basis. Factors to be considered when developing the exemption criteria shall include, but not be limited to a description of the purpose of the facility or renovation, the preservation of historical architectural features, site considerations, and health and safety concerns. The commissioner and the director shall grant or deny a request for exemption from the requirements of this section within thirty days of receipt of the request.

Sec. 22. Section 476.6, subsection 19, Code 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. A rate-regulated utility required to submit an energy efficiency plan under this subsection shall, upon the request of a state agency or political subdivision to which it provides service, provide advice and assistance regarding measures which the state agency or political subdivision might take in achieving improved energy efficiency results. The cooperation shall include assistance in accessing financial assistance for energy efficiency measures.

Sec. 23. Section 476.10A, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, any unexpended moneys remitted to the treasurer of state under this section shall be retained for the purposes designated. Notwithstanding section 453.7, subsection 2, interest or earnings on investments or time deposits of the moneys remitted under this section shall be retained and used for the purposes designated.

Sec. 24. Section 556.18, subsection 3, Code 1991, is amended to read as follows:

3. After July 1, 1988, the treasurer of state shall annually credit the first one hundred-fifty thousand dollars of all moneys received under section 556.4 to the energy research and development fund ~~created under section 93.14~~; and shall credit all additional moneys received under section 556.4 to the energy crisis fund ~~created under section 601M:92~~ established in the energy conservation trust under section 93.14.

Sec. 25. TELECOMMUTING PILOT PROJECT -- STATE EMPLOYEES. The state department of transportation, in cooperation with the department of natural resources, division of energy and geological resources, shall conduct a pilot project to implement telecommuting as an alternative for state employees, including but not limited to those whose primary duties and services are typically performed by phone or upon a computer, and who currently have access to a computer or other telecommunication equipment at work. The state department of transportation shall submit a report of the progress of the pilot project to the general assembly by January 15, 1992.

Sec. 26. Section 93.14, Code 1991, is repealed.

Sec. 27. 1990 Iowa Acts, chapter 1252, section 49, subsection 1, unnumbered paragraph 1, is amended to read as follows:

The state department of transportation, in consultation with units of local government, including representatives of cities of 200,000 or more population, cities of 50,000 or more but less than 200,000 population, and cities under 50,000 population, shall conduct, ~~conditioned upon the availability of funds,~~ a comprehensive study of the relationship between transportation planning, systems development, and management to urban and rural development, land use planning, and energy demand. The study shall include an analysis of the relationship between parking development and pricing structure

and transit usage and shall include an analysis of the relationship between commercial and industrial site selection and transportation energy consumption. The purpose of the study shall be to identify opportunities to improve the long-term energy efficiency of transportation, as well as to improve traffic safety and service. The results of the study shall be reported to the general assembly and shall contain recommended policies and legislation.

JOE J. WELSH
President of the Senate

ROBERT C. ARNOULD
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 508, Seventy-fourth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved June 10, 1991

TERRY E. BRANSTAD
Governor

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