

Senate File 407

S-3085

1 Amend Senate File 407 as follows:

2 1. Page 1, line 14, by striking <paragraph> and  
3 inserting <paragraphs>

4 2. Page 1, after line 18 by inserting:

5 <NEW PARAGRAPH. *g.* Upon the submission of a  
6 petition by a regulated entity, the director shall  
7 consult with the entity regarding a disadvantaged  
8 community variance under section 455B.199B.>

9 3. Page 2, after line 23 by inserting:

10 <Sec. \_\_\_\_\_. Section 455B.199B, Code 2011, is amended  
11 by striking the section and inserting in lieu thereof  
12 the following:

13 **455B.199B Disadvantaged communities variance.**

14 1. The department may provide for a variance of  
15 regulations pursuant to this part when it determines  
16 that regulations adopted pursuant to this part affect  
17 a disadvantaged community. Such a variance shall  
18 be consistent with federal rules and regulations.  
19 In considering an application for a variance, the  
20 department shall consider the substantial and  
21 widespread economic and social impact to the ratepayers  
22 and the affected community that may occur as a result  
23 of compliance with a federal regulation, a rule adopted  
24 by the department, or an order of the department  
25 pursuant to this part. In considering an application  
26 for a variance, the department shall take into account  
27 the rules adopted pursuant to this part with which  
28 a regulated entity and the commensurate affected  
29 community are required to comply.

30 2. The department shall find that a regulated  
31 entity and the affected community are a disadvantaged  
32 community by evaluating all of the following:

33 *a.* The ability of the regulated entity and the  
34 affected community to pay for a project based on the  
35 ratio of the total annual compliance costs to median  
36 household income.

37 *b.* Debt, socioeconomic, and financial management  
38 indicators.

39 *c.* The annual water and sewer rates as a percentage  
40 of median household income.

41 *d.* The per capita outstanding debt of the pollution  
42 control system as a percentage of median household  
43 income.

44 3. The department shall find that an unsewered  
45 community is a disadvantaged community by evaluating:

46 *a.* The ability of the community to pay for a  
47 project based upon the ratio of the total annual  
48 compliance costs to median household income.

49 *b.* Debt, socioeconomic, and financial management  
50 indicators.

1 c. The annual water and sewer rates as a percentage  
2 of median household income.

3 4. The department shall not consider a regulated  
4 entity, affected community, or unsewered community as  
5 a disadvantaged community if the ratio of compliance  
6 costs to median household income is below one percent.

7 5. The department may grant a regulated entity a  
8 variance from complying with a rule adopted pursuant  
9 to this part, or as otherwise allowed by federal law  
10 or regulations, if the department determines that the  
11 regulated entity or the affected community will suffer  
12 substantial and widespread economic and social impact.  
13 The department shall ensure that the conditions of any  
14 variance granted improve water quality and represent  
15 reasonable progress toward complying with rules adopted  
16 pursuant to this part but do not result in substantial  
17 and widespread economic and social impact.

18 6. The department shall not require an unsewered  
19 community to install a wastewater treatment system if  
20 the department determines that the unsewered community  
21 will suffer substantial and widespread economic and  
22 social impact and until alternative treatment options  
23 are approved.

24 7. The Iowa finance authority, in cooperation  
25 with the department, shall utilize the disadvantaged  
26 community criteria in this section to determine the  
27 appropriate interest rates for loans awarded from the  
28 revolving loan funds created in section 455B.295, as  
29 allowed by federal law or regulations.

30 8. The department of economic development shall  
31 utilize the disadvantaged community criteria in this  
32 section to determine eligibility for water or sewer  
33 community development block grant moneys pursuant to  
34 section 15.108, subsection 1, paragraph "a".>

35 4. Title page, line 1, by striking <delegating to  
36 counties> and inserting <relating to counties and other  
37 regulated entities and>

38 5. By renumbering as necessary.

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