



THOMAS J. VILSACK  
GOVERNOR

OFFICE OF THE GOVERNOR

SALLY J. PEDERSON  
LT. GOVERNOR

May 9, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

**Senate File 405**, an Act relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service.

The above Senate File is hereby approved this date.

Sincerely,

Thomas J. Vilsack  
Governor

TJV:jmc

cc: Secretary of the Senate  
Chief Clerk of the House





SENATE FILE 405

AN ACT

RELATING TO THE AUTHORITY OF A CITY TO ACQUIRE EQUITY INTERESTS  
IN BUSINESS ENTITIES FOR THE PURPOSE OF PARTICIPATING IN  
ELECTRIC ENERGY TRANSMISSION SERVICE.

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

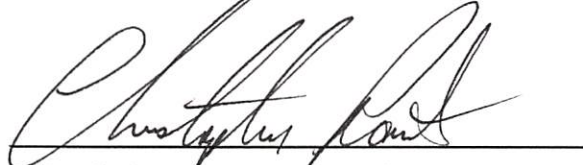
Section 1. NEW SECTION. 390.8 EQUITY INVESTMENT IN  
INDEPENDENT TRANSMISSION COMPANY.

In addition to the powers conferred upon a city elsewhere  
in this chapter, any city operating a city electric utility on  
January 1, 2003, may enter into agreements with and acquire  
equity interests in independent transmission companies or  
similar independent transmission entities in which they are  
participating that are approved by the federal energy  
regulatory commission. The purpose of such equity investments  
shall be to mitigate expenses incurred by the city electric  
utility due to its procurement of electric transmission  
service or to otherwise facilitate investment in transmission

facilities and shall not be for general city or city utility investment purposes.



MARY E. KRAMER  
President of the Senate



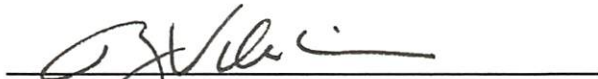
CHRISTOPHER C. RANTS  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 405, Eightieth General Assembly.



MICHAEL E. MARSHALL  
Secretary of the Senate

Approved May 9, 2003



THOMAS J. VILSACK  
Governor