



TERRY E. BRANSTAD  
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS  
LT. GOVERNOR

March 14, 2014

The Honorable Matt Schultz  
Secretary of State of Iowa  
State Capitol Building  
LOCAL

Dear Mr. Secretary:

I hereby transmit:

Senate File 2197, an Act relating to certain conditional permits issued by the Department of Natural Resources relating to air and water quality.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, reading "Terry E. Branstad".

Terry E. Branstad  
Governor

cc: Secretary of the Senate  
Clerk of the House



Senate File 2197

AN ACT

RELATING TO CERTAIN CONDITIONAL PERMITS ISSUED BY THE  
DEPARTMENT OF NATURAL RESOURCES RELATING TO AIR AND WATER  
QUALITY.

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

Section 1. Section 455B.105, subsection 11, paragraph a,  
Code 2014, is amended to read as follows:

a. Adopt, by rule, procedures and forms necessary to  
implement the provisions of this chapter and chapters 459,  
459A, and 459B relating to permits, ~~conditional permits,~~ and  
general permits. The commission may also adopt, by rule, a  
schedule of fees for permit and ~~conditional permit~~ applications  
and a schedule of fees which may be periodically assessed for  
administration of permits and ~~conditional permits.~~ In

determining the fee schedules, the commission shall consider:

(1) The state's reasonable cost of reviewing applications, issuing permits ~~and conditional permits~~, and checking compliance with the terms of the permits.

(2) The relative benefits to the applicant and to the public of permit ~~and conditional permit~~ review, issuance, and monitoring compliance. It is the intention of the legislature that permit fees shall not cover any costs connected with correcting violation of the terms of any permit and shall not impose unreasonable costs on any municipality.

(3) The typical costs of the particular types of projects or activities for which permits ~~or conditional permits~~ are required, provided that in no circumstances shall fees be in excess of the actual costs to the department.

Sec. 2. Section 455B.133, subsection 6, paragraph a, Code 2014, is amended to read as follows:

a. Require, by rules, notice of the construction of any air contaminant source which may cause or contribute to air pollution, and the submission of plans and specifications to the department, or other information deemed necessary, for the installation of air contaminant sources and related control equipment. ~~The rules shall allow the owner or operator of a major stationary source to elect to obtain a conditional permit in lieu of a construction permit.~~ The rules relating to a ~~conditional permit for an electric power generating facility subject to chapter 476A and other~~ major stationary sources shall allow the submission of engineering descriptions, flow diagrams and schematics that quantitatively and qualitatively identify emission streams and alternative control equipment that will provide compliance with emission standards. Such rules shall not specify any particular method to be used to reduce undesirable levels of emissions, nor type, design, or method of installation of any equipment to be used to reduce such levels of emissions, nor the type, design, or method of installation or type of construction of any manufacturing processes or kinds of equipment, nor specify the kind or composition of fuels permitted to be sold, stored, or used unless authorized by subsection 4 of this section.

Sec. 3. Section 455B.134, subsection 3, unnumbered paragraph 1, Code 2014, is amended to read as follows:

Grant, modify, suspend, terminate, revoke, reissue, or deny permits for the construction or operation of new, modified, or existing air contaminant sources and for related

~~control equipment, and conditional permits for electric power generating facilities subject to chapter 476A and other major stationary sources,~~ subject to the rules adopted by the commission. The department shall furnish necessary application forms for such permits.

Sec. 4. Section 455B.134, subsection 3, paragraphs a, b, c, and e, Code 2014, are amended to read as follows:

a. No air contaminant source shall be installed, altered so that it significantly affects emissions, or placed in use unless a construction ~~or conditional~~ permit has been issued for the source.

b. The condition of expected performance shall be reasonably detailed in the construction ~~or conditional~~ permit.

c. All applications for permits ~~other than conditional permits for electric generating facilities~~ shall be subject to such notice and public participation as may be provided by rule by the commission. Upon denial or limitation of a permit ~~other than a conditional permit for an electric generating facility,~~ the applicant shall be notified of such denial and informed of the reason or reasons therefor, and such applicant shall be entitled to a hearing before the commission.


e. A regulated air contaminant source for which a construction permit ~~or conditional permit~~ has been issued shall not be operated unless an operating permit also has been issued for the source. However, if the facility was in compliance with permit conditions prior to the requirement for an operating permit and has made timely application for an operating permit, the facility may continue operation until the operating permit is issued or denied. Operating permits shall contain the requisite conditions and compliance schedules to ensure conformance with state and federal requirements including emission allowances for sulfur dioxide emissions for sources subject to Tit. IV of the federal Clean Air Act Amendments of 1990. If construction of a new air contaminant source is proposed, the department may issue an operating permit concurrently with the construction permit, if possible and appropriate.

Sec. 5. Section 455B.134, subsection 3, paragraph d, Code 2014, is amended by striking the paragraph.

Sec. 6. Section 455B.147, subsection 2, Code 2014, is amended by striking the subsection.

Sec. 7. Section 455B.173, subsection 3, paragraph a, Code 2014, is amended by striking the paragraph.

Sec. 8. Section 455B.174, subsection 4, paragraph d, Code 2014, is amended by striking the paragraph.



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PAM JOCHUM  
President of the Senate



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KRAIG PAULSEN  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2197, Eighty-fifth General Assembly.



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MICHAEL E. MARSHALL  
Secretary of the Senate

Approved March 14, 2014



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TERRY E. BRANSTAD  
Governor