

Reprinted 3/13/86

FEB 27 1986

Place On Calendar

HOUSE FILE 2387

BY COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

(Formerly House Study Bill 579)

Passed House, Date 3-11-86 (p. 673) Passed Senate, Date \_\_\_\_\_

Vote: Ayes 70 Nays 21 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved May 2, 1986

**A BILL FOR**

1 An Act relating to energy management by school districts and  
2 merged area schools, requiring periodic energy audits,  
3 providing financial and technical assistance for energy  
4 conservation for school districts and merged area schools, and  
5 providing an appropriation.

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

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HF 2387

1 Section 1. NEW SECTION. 279.44 ENERGY AUDITS.

2 Not later than January 1, 1987, and on a staggered annual  
3 basis each five years thereafter, the board of directors of  
4 each school district shall file with the energy policy  
5 council, on forms prescribed by the energy policy council, the  
6 results of an energy audit of the buildings owned and leased  
7 by the school district. The energy audit shall be conducted  
8 under rules adopted by the energy policy council pursuant to  
9 chapter 17A. The energy policy council may waive the  
10 requirement for the initial energy audit for school districts  
11 that submit evidence that energy audits were conducted prior  
12 to January 1, 1987 and energy consumption for the district is  
13 at an adjusted statewide average or below.

14 Sec. 2. NEW SECTION. 93.19 ENERGY BANK PROGRAM.

15 The energy bank program is established by the energy policy  
16 council. The energy bank program consists of the following  
17 forms of assistance for school districts and merged area  
18 schools:

- 19 1. Providing loans from the energy loan fund established  
20 in section 93.20 for implementing energy conservation  
21 measures.
- 22 2. Serving as a source of technical support for energy  
23 conservation management.
- 24 3. Providing assistance for obtaining insurance on the  
25 energy savings expected to be realized from the implementation  
26 of energy conservation measures.

27 For the purpose of this section and section 93.20, "energy  
28 conservation measure" means installation or modification of an  
29 installation in a building which is primarily intended to  
30 reduce energy consumption or allow the use of an alternative  
31 energy source, which may contain integral control and  
32 measurement devices.

33 Sec. 3. NEW SECTION. 93.20 ENERGY LOAN FUND.

34 An energy loan fund is established in the office of the  
35 treasurer of state to be administered by the energy policy

1 council. The energy policy council may make loans to school  
2 districts and area schools for implementation of energy  
3 conservation measures identified in energy audits required in  
4 section 279.44. Loans shall not be made for energy  
5 conservation measures that require more than an average of six  
6 years to recoup the cost from energy savings. For a school  
7 district or merged area school to receive a loan from the  
8 fund, the energy policy council shall require completion of an  
9 energy management plan including the energy audit and an  
10 engineering analysis.

11 The energy policy council may accept gifts, federal funds,  
12 state appropriations, and other moneys for deposit in the  
13 energy loan fund.

14 Sec. 4. There is appropriated from the general fund of the  
15 state for the fiscal year beginning July 1, 1986, and ending  
16 June 30, 1987, to the energy policy council, the sum of one  
17 hundred fifty thousand (150,000) dollars, or so much thereof  
18 as may be necessary, to be used for start-up costs for the  
19 energy bank program.

20

#### EXPLANATION

21 This bill requires school districts and merged area schools  
22 to file with the energy policy council the results of an  
23 energy audit of their buildings by January 1, 1987 and every  
24 five years thereafter (on a staggered basis). (The merged  
25 area schools are not mentioned in section 1, but their  
26 legislation provides that chapter 279 applies to them.)

27 An energy bank program is established by the energy policy  
28 council to provide technical assistance and moneys to school  
29 districts and merged area schools for energy management. An  
30 energy loan fund is established to be administered by the  
31 energy policy council and the energy policy council is  
32 authorized to accept gifts and other moneys for deposit in the  
33 fund. Loans can be made from the fund to school districts and  
34 merged area schools for energy conservation measures that are  
35 identified in the energy audit and have a payback period of an

1 average of six years or less. One hundred fifty thousand  
2 dollars is appropriated for administration of the energy bank  
3 program.

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HOUSE FILE 2387

H-5299

1 Amend House File 2387 as follows:

2 1. Page 1, by striking line 2 and inserting the  
3 following:

4 "Between July 1, 1986 and June 30, 1991, and on a  
5 staggered annual".

6 2. Page 1, line 10, by striking the words "energy  
7 audit" and inserting the following: "and subsequent  
8 energy audits".

H-5299 FILED MARCH 10, 1986 BY HUGHES of Union

*Adopted 3/11 (p 673)*

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HOUSE FILE 2387

H-5223

1 Amend House File 2387 as follows:

2 1. Page 2, by striking lines 14 through 19.

3 2. Title page, lines 4 and 5, by striking the  
4 following: ", and providing an appropriation".

H-5223 FILED MARCH 3, 1986 BY ROSENBERG of Story

*Adopted 3/11 (p 673)*

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HOUSE FILE 2387

BY COMMITTEE ON ENERGY AND  
ENVIRONMENTAL PROTECTION

*Substitute for SF 2281 s/r (p. 156)*  
(As Amended and Passed by the House March 11, 1986)

*P* Passed House, Date 4-14-86 (p. 1469) Passed Senate, Date 4-8-86 (p. 1163)

Vote: Ayes 92 Nays 3 Vote: Ayes 36 Nays 9

Approved May 2, 1986 (p. 2320)

**A BILL FOR**

1 An Act relating to energy management by school districts and  
2 merged area schools, requiring periodic energy audits,  
3 providing financial and technical assistance for energy  
\*4 conservation for school districts and merged area schools.

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

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House Amendments \_\_\_\_\_

Deleted Language \*

SECRET  
1987

1 Section 1. NEW SECTION. 279.44 ENERGY AUDITS.  
2 Between July 1, 1986 and June 30, 1991, and on a staggered  
3 annual basis each five years thereafter, the board of  
4 directors of each school district shall file with the energy  
5 policy council, on forms prescribed by the energy policy  
6 council, the results of an energy audit of the buildings owned  
7 and leased by the school district. The energy audit shall be  
8 conducted under rules adopted by the energy policy council  
9 pursuant to chapter 17A. The energy policy council may waive  
10 the requirement for the initial and subsequent energy audits  
11 for school districts that submit evidence that energy audits  
12 were conducted prior to January 1, 1987 and energy consumption  
13 for the district is at an adjusted statewide average or below.

14 Sec. 2. NEW SECTION. 93.19 ENERGY BANK PROGRAM.  
15 The energy bank program is established by the energy policy  
16 council. The energy bank program consists of the following  
17 forms of assistance for school districts and merged area  
18 schools:

- 19 1. Providing loans from the energy loan fund established  
20 in section 93.20 for implementing energy conservation  
21 measures.
- 22 2. Serving as a source of technical support for energy  
23 conservation management.
- 24 3. Providing assistance for obtaining insurance on the  
25 energy savings expected to be realized from the implementation  
26 of energy conservation measures.

27 For the purpose of this section and section 93.20, "energy  
28 conservation measure" means installation or modification of an  
29 installation in a building which is primarily intended to  
30 reduce energy consumption or allow the use of an alternative  
31 energy source, which may contain integral control and  
32 measurement devices.

33 Sec. 3. NEW SECTION. 93.20 ENERGY LOAN FUND.  
34 An energy loan fund is established in the office of the  
35 treasurer of state to be administered by the energy policy

1 council. The energy policy council may make loans to school  
2 districts and area schools for implementation of energy  
3 conservation measures identified in energy audits required in  
4 section 279.44. Loans shall not be made for energy  
5 conservation measures that require more than an average of six  
6 years to recoup the cost from energy savings. For a school  
7 district or merged area school to receive a loan from the  
8 fund, the energy policy council shall require completion of an  
9 energy management plan including the energy audit and an  
10 engineering analysis.

11 The energy policy council may accept gifts, federal funds,  
12 state appropriations, and other moneys for deposit in the  
13 energy loan fund.

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HOUSE FILE 2387

S-5374

1 Amend House File 2387 as follows:

2 1. Title page, by striking lines 1 through 4, and  
3 inserting in lieu thereof the following: "An Act  
4 relating to energy management by school districts and  
5 merged area schools, requiring energy audits and  
6 providing financial and technical assistance for  
7 school districts and merged area schools to achieve  
8 energy conservation."

S-5374 Filed March 18, 1986

BY BRUNER

*W/O 4/8 (p. 1103)*

HOUSE FILE 2387

S-5627

1 Amend amendment S-5359 to House File 2387,  
2 as amended, passed, and reprinted by the House,  
3 as follows:

4 1. Page 1, by striking lines 3 through 18  
5 and inserting in lieu thereof the following:  
6 "1. By striking Page 1, line 14 through page  
7 2, line 13 and inserting in lieu thereof the  
8 following:  
9 "This"."

S-5627 Filed and adopted April 8, 1986

BY BRUNER *(p. 1103)*

HOUSE FILE 2387

S-5359

1 Amend House File 2387, as amended, passed, and  
2 reprinted by the House as follows:

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

5 "Section 1. NEW SECTION. 279.44 ENERGY AUDITS.

6 Not later than July 1, 1987, the board of directors  
7 of each school district and area school shall file  
8 with the energy policy council, on forms prescribed by  
9 the energy policy council, the results of an energy  
10 audit of the buildings owned and leased by the school  
11 district. The energy audit shall be conducted under  
12 rules adopted by the energy policy council pursuant to  
13 chapter 17A. The energy policy council may waive the  
14 requirement for the energy audit for school districts  
15 and area schools that submit evidence that energy  
16 audits were conducted prior to July 1, 1987 and energy  
17 consumption for the school district or area school is  
18 at an adjusted statewide average or below. This  
19 section takes effect only if funds have been made  
20 available to a school district or area school to pay  
21 the costs of the energy audit.

22 Sec. 2. NEW SECTION. 93.19 ENERGY BANK PROGRAM.

23 The energy bank program is established by the  
24 energy policy council. The energy bank program  
25 consists of the following forms of assistance for  
26 school districts and merged area schools:

27 1. Providing moneys from the petroleum overcharge  
28 fund for conducting energy audits under section  
29 279.44.

30 2. Providing loans, leases, and other methods of  
31 alternative financing from the energy loan fund  
32 established in section 93.20 for school districts and  
33 area schools to implement energy conservation  
34 measures.

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

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

40 For the purpose of this section and section 93.20,  
41 "energy conservation measure" means construction,  
42 rehabilitation, acquisition, or modification of an  
43 installation in a building which is intended to reduce  
44 energy consumption, or energy costs, or both, or allow  
45 the use of an alternative energy source, which may  
46 contain integral control and measurement devices.

47 Sec. 3. NEW SECTION. 93.20 ENERGY LOAN FUND.

48 An energy loan fund is established in the office of  
49 the treasurer of state to be administered by the  
50 energy policy council. The energy policy council may

1 make loans to school districts and area schools for  
2 implementation of energy conservation measures  
3 identified in a comprehensive engineering analysis.  
4 Loans shall not be made for energy conservation  
5 measures that require more than an average of six  
6 years for the school district as an entity to recoup  
7 the actual or projected cost of construction and  
8 acquisition of the improvements; cost of the  
9 engineering analysis, plans, and specifications; and  
10 cost of the surety bonds securing the operation of the  
11 energy conservation measure. For a school district or  
12 merged area school to receive a loan from the fund,  
13 the energy policy council shall require completion of  
14 an energy management plan including an energy audit  
15 and a comprehensive engineering analysis. The energy  
16 policy council shall approve loans made under this  
17 section.

18 School districts shall repay the loans from moneys  
19 in either their general fund or schoolhouse fund.  
20 Area schools shall repay the loans from their general  
21 fund.

22 The energy policy council may accept gifts, federal  
23 funds, state appropriations, and other moneys for  
24 deposit in the energy loan fund.

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

27 Sec. 4. Section 93.15, Code 1985, is amended to  
28 read as follows:

29 93.15 PETROLEUM OVERCHARGE FUND.

30 There is created as a separate account in the state  
31 treasury a petroleum overcharge fund. Notwithstanding  
32 section 453.7, interest and earnings on investments  
33 from the funds in the petroleum overcharge fund shall  
34 be credited to the petroleum overcharge fund. The  
35 state of Iowa acting on behalf of itself, its  
36 citizens, and its political subdivisions accepts any  
37 funds awarded or allocated to it, its citizens, and  
38 political subdivisions as a result of petroleum  
39 overcharge cases. The funds shall be deposited in the  
40 petroleum overcharge fund and shall be expended only  
41 upon appropriation of the general assembly for  
42 programs which will benefit citizens who may have  
43 suffered economic penalties resulting from the alleged  
44 petroleum overcharges. However, petroleum overcharge  
45 case funds received pursuant to claims filed on behalf  
46 of the state, its institutions, departments, agencies,  
47 or any political subdivision shall be deposited in the  
48 general fund of the state to be disbursed directly to  
49 the appropriate claimants in accordance with federal  
50 guidelines and subject to the approval of the attorney

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1 general and the executive council. Attorneys' fees  
2 and expenses incurred by the state to obtain these  
3 funds to be deposited in the petroleum overcharge fund  
4 shall be paid by the state comptroller from the  
5 petroleum overcharge fund subject to the approval of  
6 the attorney general and the executive council.

7 Moneys in the fund may also be used for payments to  
8 school districts and area schools for the cost of  
9 energy audits under section 279.44."

S-5359 Filed March 17, 1986

BY BRUNER

*Adopted as amended by 5627 4/6 (p 1103)*

## SENATE AMENDMENT TO HOUSE FILE 2387

H-5802

1 Amend House File 2387, as amended, passed, and  
2 reprinted by the House as follows:

3 1. By striking page 1, line 14 through page 2,  
4 line 13 and inserting in lieu thereof the following:

5 "This section takes effect only if funds have been  
6 made available to a school district or area school to  
7 pay the costs of the energy audit.

8 Sec. 2. NEW SECTION. 93.19 ENERGY BANK PROGRAM.

9 The energy bank program is established by the  
10 energy policy council. The energy bank program  
11 consists of the following forms of assistance for  
12 school districts and merged area schools:

13 1. Providing moneys from the petroleum overcharge  
14 fund for conducting energy audits under section  
15 279.44.

16 2. Providing loans, leases, and other methods of  
17 alternative financing from the energy loan fund  
18 established in section 93.20 for school districts and  
19 area schools to implement energy conservation  
20 measures.

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

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

26 For the purpose of this section and section 93.20,  
27 "energy conservation measure" means construction,  
28 rehabilitation, acquisition, or modification of an  
29 installation in a building which is intended to reduce  
30 energy consumption, or energy costs, or both, or allow  
31 the use of an alternative energy source, which may  
32 contain integral control and measurement devices.

33 Sec. 3. NEW SECTION. 93.20 ENERGY LOAN FUND.

34 An energy loan fund is established in the office of  
35 the treasurer of state to be administered by the  
36 energy policy council. The energy policy council may  
37 make loans to school districts and area schools for  
38 implementation of energy conservation measures  
39 identified in a comprehensive engineering analysis.  
40 Loans shall not be made for energy conservation  
41 measures that require more than an average of six  
42 years for the school district as an entity to recoup  
43 the actual or projected cost of construction and  
44 acquisition of the improvements; cost of the  
45 engineering analysis, plans, and specifications; and  
46 cost of the surety bonds securing the operation of the  
47 energy conservation measure. For a school district or  
48 merged area school to receive a loan from the fund,  
49 the energy policy council shall require completion of  
50 an energy management plan including an energy audit

H-5802

Page Two

1 and a comprehensive engineering analysis. The energy  
2 policy council shall approve loans made under this  
3 section.

4 School districts shall repay the loans from moneys  
5 in either their general fund or schoolhouse fund.

6 Area schools shall repay the loans from their general  
7 fund.

8 The energy policy council may accept gifts, federal  
9 funds, state appropriations, and other moneys for  
10 deposit in the energy loan fund.

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

13 Sec. 4. Section 93.15, Code 1985, is amended to  
14 read as follows:

15 93.15 PETROLEUM OVERCHARGE FUND.

16 There is created as a separate account in the state  
17 treasury a petroleum overcharge fund. Notwithstanding  
18 section 453.7, interest and earnings on investments  
19 from the funds in the petroleum overcharge fund shall  
20 be credited to the petroleum overcharge fund. The  
21 state of Iowa acting on behalf of itself, its  
22 citizens, and its political subdivisions accepts any  
23 funds awarded or allocated to it, its citizens, and  
24 political subdivisions as a result of petroleum  
25 overcharge cases. The funds shall be deposited in the  
26 petroleum overcharge fund and shall be expended only  
27 upon appropriation of the general assembly for  
28 programs which will benefit citizens who may have  
29 suffered economic penalties resulting from the alleged  
30 petroleum overcharges. However, petroleum overcharge  
31 case funds received pursuant to claims filed on behalf  
32 of the state, its institutions, departments, agencies,  
33 or any political subdivision shall be deposited in the  
34 general fund of the state to be disbursed directly to  
35 the appropriate claimants in accordance with federal  
36 guidelines and subject to the approval of the attorney  
37 general and the executive council. Attorneys' fees  
38 and expenses incurred by the state to obtain these  
39 funds to be deposited in the petroleum overcharge fund  
40 shall be paid by the state comptroller from the  
41 petroleum overcharge fund subject to the approval of  
42 the attorney general and the executive council.

43 Moneys in the fund may also be used for payments to  
44 school districts and area schools for the cost of  
45 energy audits under section 279.44."

H-5802 FILED APRIL 10, 1986 RECEIVED FROM THE SENATE

*House concurred 4/14/86 (p 1469)*

Now  
NF 2387

HSB 579

ENERGY AND ENVIRONMENTAL PROTECTION

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PREFILED ENERGY POLICY  
COUNCIL BILL)

Study Bill 579

Energy and Environmental Protection: Hughes, Chair; De Groot and Hatch.

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to energy management by school districts and  
2 merged area schools, requiring periodic energy audits,  
3 providing financial and technical assistance for energy  
4 conservation for school districts and merged area schools, and  
5 providing an appropriation.

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

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1 Section 1. NEW SECTION. 279.44 ENERGY AUDITS.

2 Not later than January 1, 1987, and on a staggered annual  
3 basis each five years thereafter, the board of directors of  
4 each school district shall file with the energy policy  
5 council, on forms prescribed by the energy policy council, the  
6 results of an energy audit of the buildings owned and leased  
7 by the school district. The energy audit shall be conducted  
8 under rules adopted by the energy policy council pursuant to  
9 chapter 17A. The energy policy council may waive the  
10 requirement for the initial energy audit for school districts  
11 that submit evidence that energy audits were conducted prior  
12 to January 1, 1987 and energy consumption for the district is  
13 at an adjusted statewide average or below.

14 The energy policy council shall certify to the state  
15 comptroller the names of school districts violating the  
16 requirements in this section, and the state comptroller shall  
17 withhold any state aid or state appropriations remaining to be  
18 paid to those school districts during the remainder of the  
19 fiscal year.

20 Sec. 2. NEW SECTION. 93.19 ENERGY BANK PROGRAM.

21 The energy bank program is established by the energy policy  
22 council. The energy bank program consists of the following  
23 forms of assistance for school districts and merged area  
24 schools:

25 1. Providing loans from the energy loan fund established  
26 in section 93.20 for implementing energy conservation  
27 measures.

28 2. Serving as a source of technical support for energy  
29 conservation management.

30 3. Providing assistance for obtaining insurance on the  
31 energy savings expected to be realized from the implementation  
32 of energy conservation measures.

33 For the purpose of this section and section 93.20, "energy  
34 conservation measure" means installation or modification of an  
35 installation in a building which is primarily intended to

1 reduce energy consumption or allow the use of an alternative  
2 energy source, which may contain integral control and  
3 measurement devices.

4 Sec. 3. NEW SECTION. 93.20 ENERGY LOAN FUND.

5 An energy loan fund is established in the office of the  
6 treasurer of state to be administered by the energy policy  
7 council. The energy policy council may make loans to school  
8 districts and area schools for implementation of energy  
9 conservation measures identified in energy audits required in  
10 section 279.44. Loans shall not be made for energy  
11 conservation measures that require more than an average of six  
12 years to recoup the cost from energy savings. For a school  
13 district or merged area school to receive a loan from the  
14 fund, the energy policy council shall require completion of an  
15 energy management plan including the energy audit and an  
16 engineering analysis.

17 The energy policy council may accept gifts, federal funds,  
18 state appropriations, and other moneys for deposit in the  
19 energy loan fund.

20 Sec. 4. There is appropriated from the general fund of the  
21 state for the fiscal year beginning July 1, 1986, and ending  
22 June 30, 1987, to the energy policy council, the sum of one  
23 hundred fifty thousand (150,000) dollars, or so much thereof  
24 as may be necessary, to be used for start-up costs for the  
25 energy bank program.

26 EXPLANATION

27 This bill requires school districts and merged area schools  
28 to file with the energy policy council the results of an  
29 energy audit of their buildings by January 1, 1987 and every  
30 five years thereafter (on a staggered basis). (The merged  
31 area schools are not mentioned in section 1, but their  
32 legislation provides that chapter 279 applies to them.)

33 An energy bank program is established by the energy policy  
34 council to provide technical assistance and moneys to school  
35 districts and merged area schools for energy management. An

1 energy loan fund is established to be administered by the  
2 energy policy council and the energy policy council is  
3 authorized to accept gifts and other moneys for deposit in the  
4 fund. Loans can be made from the fund to school districts and  
5 merged area schools for energy conservation measures that are  
6 identified in the energy audit and have a payback period of an  
7 average of six years or less. One hundred fifty thousand  
8 dollars is appropriated for administration of the energy bank  
9 program.

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HOUSE FILE 2387

AN ACT

RELATING TO ENERGY MANAGEMENT BY SCHOOL DISTRICTS AND MERGED AREA SCHOOLS, REQUIRING PERIODIC ENERGY AUDITS, PROVIDING FINANCIAL AND TECHNICAL ASSISTANCE FOR ENERGY CONSERVATION FOR SCHOOL DISTRICTS AND MERGED AREA SCHOOLS.

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

Section 1. NEW SECTION. 279.44 ENERGY AUDITS.

Between July 1, 1986 and June 30, 1991, and on a staggered annual basis each five years thereafter, the board of directors of each school district shall file with the energy policy council, on forms prescribed by the energy policy council, the results of an energy audit of the buildings owned and leased by the school district. The energy audit shall be conducted under rules adopted by the energy policy council pursuant to chapter 17A. The energy policy council may waive the requirement for the initial and subsequent energy audits for school districts that submit evidence that energy audits were conducted prior to January 1, 1987 and energy consumption for the district is at an adjusted statewide average or below.

This section takes effect only if funds have been made available to a school district or area school to pay the costs of the energy audit.

Sec. 2. NEW SECTION. 93.19 ENERGY BANK PROGRAM.

The energy bank program is established by the energy policy council. The energy bank program consists of the following forms of assistance for school districts and merged area schools:

1. Providing moneys from the petroleum overcharge fund for conducting energy audits under section 279.44.

2. Providing loans, leases, and other methods of alternative financing from the energy loan fund established in section 93.20 for school districts and area schools 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.

For the purpose of this section and section 93.20, "energy conservation measure" means construction, rehabilitation, acquisition, or modification of an installation in a building 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.

Sec. 3. NEW SECTION. 93.20 ENERGY LOAN FUND.

An energy loan fund is established in the office of the treasurer of state to be administered by the energy policy council. The energy policy council may make loans to school districts and area schools 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 as an entity to recoup the actual or projected cost of construction and acquisition of the improvements; cost of the engineering analysis, plans, and specifications; and cost of the surety bonds securing the operation of the energy conservation measure. For a school district or merged area school to receive a loan from the fund, the energy policy council shall require completion of an energy management plan including an energy audit and a comprehensive engineering analysis. The energy policy council shall approve loans made under this section.

School districts shall repay the loans from moneys in either their general fund or schoolhouse fund. Area schools shall repay the loans from their general fund.

The energy policy council may accept gifts, federal funds, state appropriations, and other moneys for deposit in the energy loan fund.

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

Sec. 4. Section 93.15, Code 1985, is amended to read as follows:

93.15 PETROLEUM OVERCHARGE FUND.

There is created as a separate account in the state treasury a petroleum overcharge fund. Notwithstanding section 453.7, interest and earnings on investments from the funds in the petroleum overcharge fund shall be credited to the petroleum overcharge fund. The state of Iowa acting on behalf of itself, its citizens, and its political subdivisions accepts any funds awarded or allocated to it, its citizens, and political subdivisions as a result of petroleum overcharge cases. The funds shall be deposited in the petroleum overcharge fund and shall be expended only upon appropriation of the general assembly for programs which will benefit citizens who may have suffered economic penalties resulting from the alleged petroleum overcharges. However, petroleum overcharge case funds received pursuant to claims filed on behalf of the state, its institutions, departments, agencies, or any political subdivision shall be deposited in the general fund of the state to be disbursed directly to the appropriate claimants in accordance with federal guidelines and subject to the approval of the attorney general and the executive council. Attorneys' fees and expenses incurred by the state to obtain these funds to be deposited in the petroleum overcharge fund shall be paid by the state comptroller from the petroleum overcharge fund subject to the approval of the attorney general and the executive council.

Moneys in the fund may also be used for payments to school districts and area schools for the cost of energy audits under section 279.44.

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DONALD D. AVENSON  
Speaker of the House

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ROBERT T. ANDERSON  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2387, Seventy-first General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved *May 2*, 1986

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TERRY E. BRANSTAD  
Governor