

# Senate Ways & Means

reprinted

APR 13 1989

WAYS AND MEANS CALENDAR

HOUSE FILE 769

BY COMMITTEE ON WAYS AND  
MEANS

(SUCCESSOR TO HF 708)

Passed House, Date 4-25-89 (p. 1802) Passed Senate, Date 5-2-89 (p. 1802)  
Vote: Ayes 100 Nays 0 Vote: Ayes 40 Nays 6  
Approved May 27, 1989

## A BILL FOR

1 An Act creating an Iowa resources enhancement and protection  
2 fund, providing for the allocation of fund revenue and making  
3 appropriations, authorizing a state-sponsored credit card,  
4 providing for properly related matters, and subjecting  
5 violators to penalties.

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

HF 769

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DIVISION I

IOWA RESOURCES ENHANCEMENT AND PROTECTION

Section 1. Section 455A.1, Code 1989, is amended by adding the following new subsections:

NEW SUBSECTION. 5. "Fund" means the Iowa resources enhancement and protection fund created under section 455A.18.

NEW SUBSECTION. 6. "Soil conservation division" means the soil conservation division of the department of agriculture and land stewardship.

DIVISION II

Sec. 2. NEW SECTION. 455A.15 LEGISLATIVE FINDINGS.

The general assembly finds that:

1. The citizens of Iowa have built and sustained their society on Iowa's air, soils, waters, and rich diversity of life. The well-being and future of Iowa depend on these natural resources.

2. Many human activities have endangered Iowa's natural resources. The state of Iowa has lost ninety-nine and nine-tenths percent of its prairies, ninety-eight percent of its wetlands, eighty percent of its woodlands, fifty percent of its topsoils, and more than one hundred species of wildlife since settlement in the early 1800's. There has been a significant deterioration in the quality of Iowa's surface waters and groundwaters.

3. The long-term effects of Iowa's natural resource losses are not completely known or understood, but detrimental effects are already apparent. Prevention of further loss is therefore imperative.

4. The air, waters, soils, and biota of Iowa are interdependent and form a complex ecosystem. Iowans have the right to inherit this ecosystem in a sustainable condition, without severe or irreparable damage caused by human activities.

Sec. 3. NEW SECTION. 455A.16 STATE RESOURCE ENHANCEMENT POLICY.

1 It is the policy of the state of Iowa to protect its  
2 natural resource heritage of air, soils, waters, and wildlife  
3 for the benefit of present and future citizens with the  
4 establishment of a resource enhancement program. The program  
5 shall be a long-term integrated effort to wisely use and  
6 protect Iowa's natural resources through the acquisition and  
7 management of public lands; the upgrading of public park and  
8 preserve facilities; environmental education, monitoring, and  
9 research; and other environmentally sound means. The resource  
10 enhancement program shall strongly encourage Iowans to develop  
11 a conservation ethic, and to make necessary changes in our  
12 activities to develop and preserve a rich and diverse natural  
13 environment.

14 Sec. 4. NEW SECTION. 455A.17 IOWA CONGRESS ON RESOURCES  
15 ENHANCEMENT AND PROTECTION.

16 1. Biennially, during even-numbered years, the director  
17 shall schedule and make the necessary arrangements for an Iowa  
18 congress on resources enhancement and protection. The  
19 congress shall be held within the state capitol complex during  
20 the summer months.

21 2. Prior to each congress, the director shall make  
22 arrangements to hold an assembly in each council of  
23 governments area of persons having an interest in resources  
24 enhancement and protection. The department shall promote  
25 attendance of interested persons at each assembly. The  
26 director shall call each assembly and serve as temporary  
27 chairperson. The department shall provide those attending  
28 with information regarding resource enhancement and protection  
29 expenditures. The assemblies shall identify opportunities for  
30 regional resource enhancement and protection and review and  
31 recommend changes in resource enhancement and protection  
32 policies, programs, and funding. The persons meeting at each  
33 assembly shall elect five persons as delegates to the congress  
34 on resources enhancement and protection.

35 3. The delegates to the congress on resources enhancement

1 and protection shall organize, discuss, and make  
2 recommendations to the natural resource commission regarding  
3 issues concerning resources enhancement and protection. The  
4 director shall call the congress and serve as temporary  
5 chairperson. The delegates are entitled to a per diem of  
6 forty dollars for expenses of office while attending the  
7 congress.

8 4. The expenses of the department in making the  
9 arrangements for and the conducting of the council of  
10 governments area assemblies and the congress on resources  
11 enhancement and protection and the per diem for expenses of  
12 the delegates at the congress shall be paid from the funds  
13 appropriated for this purpose.

14 Sec. 5. NEW SECTION. 455A.18 IOWA RESOURCES ENHANCEMENT  
15 AND PROTECTION FUND -- AUDITS.

4/7/16 1. An Iowa resources enhancement and protection fund is  
17 created in the office of the treasurer of state. The fund  
18 consists of all revenues received from the tax on beverage  
19 containers and all other moneys lawfully credited or  
20 transferred to the fund. The director shall certify monthly  
21 the portions of the fund that are allocated to the various  
22 accounts as provided under section 455A.19. The director  
23 shall certify before the twentieth of each month the portions  
24 of the fund resulting from the previous month's receipts to be  
25 allocated to the various accounts.

4/7/26 2. The auditor of state or a certified public accountant  
27 firm appointed by the auditor of state shall conduct quarterly  
28 and annual audits of all accounts and transactions of the  
29 fund.

30 3. Notwithstanding section 453.7, interest or earnings on  
31 investments or time deposits of the funds in the Iowa re-  
32 sources enhancement and protection fund or any of its accounts  
33 shall be credited to the fund.

34 Sec. 6. NEW SECTION. 455A.19 ALLOCATION OF FUND  
35 PROCEEDS.

1 1. Upon receipt of any revenue, the director shall deposit  
2 the moneys in the Iowa resources enhancement and protection  
3 fund created pursuant to section 455A.18. The first three  
4 hundred fifty thousand dollars of the funds received for  
5 deposit in the fund annually shall be allocated to the  
6 conservation education board for the purposes specified in  
7 section 256.33. One percent of the revenue receipts shall be  
8 deducted and transferred to the administration fund provided  
9 for in section 107.17. All of the remaining receipts shall be  
10 allocated to the following accounts:

11 a. Twenty-eight percent shall be allocated to the open  
12 spaces account. At least ten percent of the allocations to  
13 the account shall be made available to match private funds for  
14 open space projects on the cost-share basis of not less than  
15 twenty-five percent private funds pursuant to the rules  
16 adopted by the natural resources commission. This account  
17 shall be used by the department to implement the statewide  
18 open space acquisition and protection program as provided in  
19 section 111E.2. The department shall give priority to  
20 acquisition or control of open spaces of statewide  
21 significance. The total cost of an open spaces project funded  
22 under this paragraph shall not exceed two million dollars  
23 unless a public hearing is held on the project in the area of  
24 the state affected by the project and the expenditures in  
25 excess of two million dollars are approved by a two-thirds  
26 vote of the commission. Political subdivisions of the state  
27 shall be reimbursed for property tax dollars lost to open  
28 space acquisitions based on the reimbursement formula provided  
29 for in section 111E.4. There is appropriated from the open  
30 spaces account to the department the amount in that account,  
31 or so much thereof as is necessary, to carry out the open  
32 spaces program as specified in this paragraph. An  
33 appropriation made under this paragraph shall continue in  
34 force for two fiscal years after the fiscal year in which the  
35 appropriation was made or until completion of the project for

1 which the appropriation was made, whichever date is earlier.  
2 All unencumbered or unobligated funds remaining at the close  
3 of the fiscal year in which the project is completed or at the  
4 close of the third fiscal year, whichever date is earlier,  
5 shall revert to the open spaces account.

6 b. Twenty percent shall be allocated to the county  
7 conservation account.

8 (1) Thirty percent of the allocation to the county  
9 conservation account annually shall be allocated to each  
10 county equally.

11 (2) Thirty percent of the allocation to the county  
12 conservation account annually shall be allocated to each  
13 county on a per capita basis.

14 (3) Forty percent of the allocation to the county  
15 conservation account annually shall be held in an account in  
16 the state treasury for the natural resource commission to  
17 award to counties on a competitive grant basis by a project  
18 selection committee established in this subparagraph. Local  
19 matching funds are not required for grants awarded under this  
20 subparagraph. The project planning and review committee shall  
21 be composed of two staff members of the department and two  
22 county conservation board directors appointed by the director  
23 and a fifth member selected by a majority vote of the  
24 director's appointees. The natural resource commission, by  
25 rule, shall establish procedures for application, review, and  
26 selection of county projects submitted for funding. Upon  
27 recommendation of the project planning and review committee,  
28 the director shall award the grants.

29 (4) Funds allocated to the counties under subparagraphs  
30 (1), (2), and (3) may be used for land easements or  
31 acquisitions, capital improvements, stabilization and  
32 protection of resources, repair and upgrading of facilities,  
33 environmental education, and equipment. However, expenditures  
34 are not allowed for single or multipurpose athletic fields,  
35 baseball or softball diamonds, tennis courts, golf courses,

1 and other group or organized sport facilities. Funds may be  
2 used for county projects located within the boundaries of a  
3 city.

4 (5) Funds allocated pursuant to subparagraphs (2) and (3)  
5 shall only be allocated to counties dedicating property tax  
6 revenue at least equal to twenty-two cents per thousand  
7 dollars of the assessed value of taxable property in the  
8 county to county conservation purposes. State funds received  
9 under this paragraph shall not reduce or replace county tax  
10 revenues appropriated for county conservation purposes. The  
11 county treasurer shall submit documentation annually of the  
12 dedication of property tax revenue for county conservation  
13 purposes. The annual audit of the financial transactions and  
14 condition of a county shall certify compliance with  
15 requirements of this subparagraph. Funds not allocated to  
16 counties not qualifying for the allocations under subparagraph  
17 (2) as a result of this subparagraph shall be held in reserve  
18 for each county for two years. Counties qualifying within two  
19 years may receive the funds held in reserve. Funds not spent  
20 by a county within two years shall revert to the general pool  
21 of county funds for reallocation to other counties where  
22 needed.

23 (6) Each board of supervisors shall create a special  
24 resource enhancement account in the office of county treasurer  
25 and the county treasurer shall credit all resource enhancement  
26 funds received from the state in that account.  
27 Notwithstanding section 453.7, all interest earned on funds in  
28 the county resource enhancement account shall be credited to  
29 that account and used for the purposes authorized for that  
30 account.

31 (7) There is appropriated from the county conservation  
32 account to the department the amount in that account, or so  
33 much thereof as is necessary, to fund the provisions of this  
34 paragraph. An appropriation made under this paragraph shall  
35 continue in force for two fiscal years after the fiscal year

1 in which the appropriation was made or until completion of the  
2 project for which the appropriation was made, whichever date  
3 is earlier. All unencumbered or unobligated funds remaining  
4 at the close of the fiscal year in which a project funded  
5 pursuant to subparagraph (3) is completed or at the close of  
6 the third fiscal year, whichever date is earlier, shall revert  
7 to the county conservation account.

8 (8) Any funds received by a county under this paragraph  
9 may be used to match other state or federal funds, and  
10 multicounty or multiagency projects may be funded under this  
11 paragraph.

12 c. Twenty percent shall be allocated to the soil and water  
13 enhancement account. The moneys shall be used to carry out  
14 soil and water enhancement programs including, but not limited  
15 to, reforestation, woodland protection and enhancement,  
16 wildlife habitat preservation and enhancement, protection of  
17 highly erodible soils, and clean water programs. The division  
18 of soil conservation, by rule, shall establish procedures for  
19 eligibility, application, review, and selection of projects  
20 and practices to implement the requirements of this paragraph.  
21 There is appropriated from the soil and water enhancement  
22 account to the soil conservation division the amount in that  
23 account, or so much thereof as is necessary, to carry out the  
24 programs as specified in this paragraph. Remaining funds of  
25 the soil and water conservation account shall be allocated to  
26 the accounts of the water protection fund authorized in  
27 section 467F.4. Annually, fifty percent of the soil and water  
28 enhancement account funds, not to exceed one million dollars,  
29 shall be allocated to the water quality protection projects  
30 account. The balance of the funds shall be allocated to the  
31 water protection practices account. An appropriation made  
32 under this paragraph shall continue in force for two fiscal  
33 years after the fiscal year in which the appropriation was  
34 made or until completion of the project for which the  
35 appropriation was made, whichever date is earlier. All



1 unencumbered or unobligated funds remaining at the close of  
2 the fiscal year in which the project is completed or at the  
3 close of the third fiscal year, whichever date is earlier,  
4 shall revert to the soil and water enhancement account.

5 d. Fifteen percent shall be allocated to a cities' parks  
6 and open space account. The moneys allocated in this  
7 paragraph may be used to fund competitive grants to cities to  
8 acquire, establish, and maintain natural parks, preserves, and  
9 open spaces. The grants may include expenditures for  
10 multipurpose trails, restroom facilities, shelter houses, and  
11 picnic facilities, but expenditures for single or multipurpose  
12 athletic fields, baseball or softball diamonds, tennis courts,  
13 golf courses, and other group or organized sport facilities  
14 requiring specialized equipment are excluded. The grants may  
15 be used for city projects located outside of a city's  
16 boundaries. The natural resource commission, by rule, shall  
17 establish procedures for application, review, and selection of  
18 city projects on a competitive basis. The rules shall provide  
19 for three categories of cities based on population within  
20 which the cities shall compete for grants. There is  
21 appropriated from the cities' parks and open space account to  
22 the department the amount in that account, or so much thereof  
23 as is necessary, to carry out the competitive grant program as  
24 provided in this paragraph.

25 e. Nine percent shall be allocated to the state land  
26 management trust account. The department shall use the income  
27 from the moneys allocated to this account for maintenance and  
28 expansion of state lands and related facilities under its  
29 jurisdiction. The authority to expand state lands and  
30 facilities under this paragraph is limited to expansion of the  
31 state lands and facilities already owned by the state. There  
32 is appropriated from the state land management trust account  
33 to the department the amount of investment income earned from  
34 the moneys in that account, or so much thereof as is  
35 necessary, to implement a maintenance and expansion program

1 for state lands and related facilities under the jurisdiction  
2 of the department.

3 f. Five percent shall be allocated to the historical  
4 resource grant and loan fund established pursuant to section  
5 303.16. The department of cultural affairs shall use the  
6 moneys allocated to this fund to implement historical resource  
7 development programs as provided under section 303.16.

8 g. Three percent shall be allocated to the living roadway  
9 trust fund established under section 314.21 for the  
10 development and implementation of integrated roadside  
11 vegetation plans.

12 2. The moneys appropriated under this section shall remain  
13 in the appropriate account of the Iowa resources enhancement  
14 and protection fund until such time as the agency, board,  
15 commission, or overseer of the fund to which moneys are  
16 appropriated has made a request to the treasurer for use of  
17 moneys appropriated to it and the amount needed for that use.  
18 Notwithstanding section 8.33, moneys remaining of the  
19 appropriations made for a fiscal year from any of the accounts  
20 within the Iowa resources enhancement and protection fund on  
21 June 30 of that fiscal year, shall not revert to any fund but  
22 shall remain in that account to be used for the purposes for  
23 which they were appropriated and the moneys remaining in that  
24 account shall not be considered in making the allotments for  
25 the next fiscal year.

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26 Sec. 7. NEW SECTION. 455A.20 COUNTY RESOURCE ENHANCEMENT  
27 COMMITTEE.

28 1. A county resource enhancement committee is created in  
29 each county. The membership of the committee shall be as  
30 follows:

31 a. The chairpersons of the board of supervisors, county  
32 conservation board, commissioners of the soil and water  
33 district, and board of directors of each school district in  
34 the county. A chairperson may appoint a member of the  
35 chairperson's board or commission as the chairperson's

1 designee on the committee. The chairperson or designee of a  
2 school district shall be a member of the county committee of  
3 the county in which a majority or the largest plurality of the  
4 district's students reside.

5 b. The mayor or the mayor's designee of each city in a  
6 county. The mayor's designee shall be a member of the city  
7 council. If a city is located in more than one county, the  
8 membership shall be on the county committee of the county in  
9 which the largest population of the city resides.

10 c. The chairperson or the chairperson's designee of each  
11 recognized farm organization having a county organization in  
12 the county. The designee shall be a member of the  
13 organization represented. The recognized farm organizations  
14 are the Iowa farm bureau federation, the Iowa farmers union,  
15 the Iowa grange, the national farmers organization, and the  
16 Iowa farm unity coalition.

17 d. The chairperson or the chairperson's designee of each  
18 of the following wildlife or conservation organizations having  
19 a recognized county organization:

- 20 (1) Iowa Audubon council.
- 21 (2) Iowa sportsmens federation.
- 22 (3) Ducks unlimited.
- 23 (4) Sierra club.
- 24 (5) Pheasants forever.
- 25 (6) The nature conservancy.
- 26 (7) Iowa association of naturalists.
- 27 (8) Izaak Walton league of America.
- 28 (9) Other recognized wildlife, conservation,  
29 environmental, recreation, or conservation education groups.  
30 The designee shall be a member of the county chapter or  
31 organization in the county.

32 e. If a question arises as to whether a recognized county  
33 organization exists under paragraph "c" or "d", the question  
34 shall be decided by a majority vote of the members selected  
35 under paragraphs "a" and "b" excluding the representative of

1 the county conservation board.

2 2. The duties of the county resource enhancement committee  
3 are to coordinate the resource enhancement program, plans, and  
4 proposed projects developed by cities, county conservation  
5 board, and soil and water conservation district commissioners  
6 for funding under this division. The county committee shall  
7 review and comment upon all projects before they are submitted  
8 for funding under section 455A.19. Each county committee  
9 shall propose a five-year program plan which includes a one-  
10 year proposed expenditure plan and submit it to the  
11 department.

12 3. The initial meeting of the committee shall be called by  
13 the chairperson of the board of supervisors. The chairperson  
14 shall give written notice of the date, time, and location of  
15 the first meeting. The county committee shall meet at least  
16 annually to organize by selecting a chairperson, vice  
17 chairperson, and other officers as necessary. The committee  
18 shall adopt rules governing the conduct of its meetings,  
19 subject to chapter 21.

20 4. The board of supervisors shall provide a meeting room  
21 and the necessary secretarial and clerical assistance for the  
22 committee. The expenses shall be paid from the county general  
23 fund.

24 5. The members of the committee are not entitled to  
25 compensation or expenses related to their duties of office,  
26 except as may otherwise be provided by the boards,  
27 commissions, or organizations which the members represent.

28 Sec. 8. NEW SECTION. 12.46 STATE-SPONSORED CREDIT CARD.

29 1. For purposes of this section, unless the context  
30 otherwise requires:

31 a. "Financial institution" means a state bank as defined  
32 in section 524.103, subsection 19, a federally chartered state  
33 bank having its principal office within this state, a  
34 federally chartered credit union having its principal office  
35 within this state, a federally chartered savings and loan

1 association having its principal office within the state, a  
2 credit union organized under chapter 533, an association  
3 incorporated or authorized to do business under chapter 534,  
4 or a trust company organized or incorporated under the laws of  
5 this state.

6 b. "Financial institution credit card" means a credit card  
7 that entitles the holder to make open-account purchases up to  
8 an approved amount and is issued through the agency of a  
9 financial institution.

10 c. "Sponsoring entity" means an entity that allows its  
11 name or logo to be used on a particular financial institution  
12 credit card in exchange for a fee from the credit card issuer.

13 2. The treasurer is authorized to participate in a  
14 financial institution credit card program for the benefit of  
15 the state. Within six months of the effective date of this  
16 Act, the treasurer shall contact each financial institution to  
17 determine if:

18 a. The financial institution or its Iowa holding company  
19 or Iowa affiliate currently administers a credit card program.

20 b. The credit card program provides a fee or commission on  
21 retail sales to the sponsoring entity for the issuance and use  
22 of the credit card.

23 c. The credit card program would accept the state as a  
24 sponsoring entity.

25 If the treasurer determines that the state may be a  
26 sponsoring entity for a financial institution credit card, the  
27 treasurer shall negotiate the most favorable rate for the  
28 state's fee by a credit card issuer. The state shall not  
29 offer a more favorable rate to any other credit card issuer.  
30 The rate must be expressed as a percentage of the gross sales  
31 from the use of the credit card. The proceeds of the fee  
32 shall be deposited in the Iowa resources enhancement and  
33 protection fund created under section 455A.18. The treasurer  
34 shall recommend a logo or design for the state-sponsored  
35 credit card indicating the use for which the revenues will be

1 used.

2 In selecting a credit card issuer, the treasurer shall  
3 consider the issuer's record of investments in the state,  
4 shall take into consideration credit card features which will  
5 enhance the promotion of the state-sponsored credit card  
6 including, but not limited to, favorable interest rates,  
7 annual fees, and other fees for using the card, and shall  
8 require that the card be available to any person who qualifies  
9 for a credit card. Upon entering into an agreement with the  
10 financial institution, the treasurer shall notify all state  
11 agencies then possessing a credit card to obtain the new  
12 state-sponsored credit card. The financial institution is  
13 authorized to solicit participation from state employees.

14 Sec. 9. NEW SECTION. 111A.12 IOWA'S COUNTY

15 BEAUTIFICATION PROGRAM.

16 1. A county conservation board may establish an Iowa's  
17 county beautification program to encourage the prevention and  
18 cleanup of litter in public areas of the county. The county  
19 conservation director shall prepare and implement the program  
20 which is designed to employ persons from fourteen years of age  
21 to eighteen years of age in a six-week summer program. The  
22 program may include public informational activities, but shall  
23 be directed primarily toward encouraging and facilitating  
24 involvement in litter prevention and cleanup. The program  
25 shall also include weekly instruction on safety in the work  
26 place while employed with an Iowa's county beautification  
27 program. Financial assistance for an Iowa's county  
28 beautification program may be received through the county  
29 conservation account pursuant to section 455A.19. County  
30 matching funds shall not be required for eligibility for  
31 funding an Iowa's county beautification program.

32 2. A county conservation board shall coordinate its Iowa's  
33 county beautification program with the county engineer or  
34 director of the county secondary road department and with the  
35 district highway engineer of the state department of

1 transportation. The respective county and state highway  
2 authorities, within time and budgetary limitations, shall  
3 cooperate with the county conservation board in implementing  
4 the litter program in regard to the rights-of-way of primary  
5 and secondary roads when requested by the county conservation  
6 board.

7 Sec. 10. NEW SECTION. 256.33 CONSERVATION EDUCATION  
8 PROGRAM BOARD.

9 1. A conservation education program board is created in  
10 the department. The board shall have three members appointed  
11 as follows:

12 a. One member appointed by the director of the department  
13 of education.

14 b. One member appointed by the director of the department  
15 of natural resources.

16 c. One member appointed by the president of the Iowa  
17 association of county conservation boards.

18 2. The duties of the board are to revise and produce  
19 conservation education materials and to specify stipends to  
20 Iowa educators who participate in innovative conservation  
21 education programs approved by the board. The board shall  
22 allocate the funds provided for under section 455A.19,  
23 subsection 1, paragraph b, for the educational materials and  
24 stipends.

25 3. The department shall administer the funds allocated to  
26 the conservation education program as provided in this  
27 section.

28 Sec. 11. Section 303.16, subsection 7, Code 1989, is  
29 amended to read as follows:

30 7. The department may use ~~twenty-five-thousand-dollars~~ ten  
31 percent of the amount appropriated to the department, but in  
32 no event more than seventy-five thousand dollars for  
33 administration of the grant and loan program.

34 Sec. 12. Section 303.16, subsection 8, paragraph a, Code  
35 1989, is amended to read as follows:

1 a. The department may establish a historical resource  
2 revolving grant and loan fund composed of any money  
3 appropriated by the general assembly for that purpose, funds  
4 allocated pursuant to section 455A.19, and of any other moneys  
5 available to and obtained or accepted by the department from  
6 the federal government or private sources for placement in  
7 that fund. Each loan made under this section shall be for a  
8 period not to exceed ten years, shall bear interest at a rate  
9 determined by the state historical board, and shall be  
10 repayable to the revolving loan fund in equal yearly  
11 installments due March 1 of each year the loan is in effect.  
12 The interest rate upon loans for which payment is delinquent  
13 shall accelerate immediately to the current legal usury limit.  
14 Applicants shall be eligible for no more than twenty-five one  
15 hundred thousand dollars in loans outstanding at any time  
16 under this program.

17 Sec. 13. Section 303.16, subsection 8, paragraph b,  
18 subparagraph (2), Code 1989, is amended to read as follows:

19 (2) Authorize payment from the revolving historical  
20 resource grant and loan fund, from fees and from any income  
21 received by investments of money in the fund for costs,  
22 commissions, attorney fees and other reasonable expenses  
23 related to and necessary for making and protecting direct  
24 loans under this section, and for the recovery of moneys  
25 loaned or the management of property acquired in connection  
26 with such loans.

27 Sec. 14. Section 422.69, Code 1989, is amended by adding  
28 the following new subsection:

29 NEW SUBSECTION. 4. The director shall estimate the amount  
30 of state corporate income tax revenues collected as a result  
31 of the United States supreme court decision holding that the  
32 federal windfall profits tax is not a federal income tax and  
33 shall deposit a like amount in the Iowa resources enhancement  
34 and protection fund created under section 455A.18.

35 Sec. 15. Section 467F.4, unnumbered paragraph 1 and



1 subsection 2, Code 1989, are amended to read as follows:

2 A water protection fund is created within the division.

3 The fund is composed of money appropriated by the general

4 assembly for that purpose, and moneys available to and

5 obtained or accepted by the state soil conservation committee

6 from the United States or private sources for placement in the

7 fund. The fund shall be divided into two accounts, the water

8 quality protection account and the water protection practices

9 account, as authorized in section 467F.2. The first account

10 shall be used to carry out water quality protection projects

11 to protect the state's surface and groundwater from point and

12 nonpoint sources of contamination. The second account shall

13 be used to establish water protection practices with

14 individual landowners including but not limited to woodland

15 establishment and protection, establishment of native grasses

16 and forbs, sinkhole management, ag drainage well management,

17 streambank stabilization, grass waterway establishment, stream

18 buffer strip establishment, and erosion control structure

19 construction. Twenty-five percent of funds appropriated to

20 the water protection practices account shall be used for

21 woodland establishment and protection, and establishment of

22 native grasses and forbs. Soil and water conservation

23 district commissioners shall give priority to applications for

24 practices that implement their soil and water resource

25 conservation plan. The fund shall be a revolving loan fund

26 from which moneys may be used for loans, grants,

27 administrative costs, and cost-sharing.

28 2. Authorize payment from the water protection fund, from

29 fees and from any income received by investments of money in

30 the fund for costs, commissions, attorney-fees, and other

31 reasonable expenses ~~related-to-and-necessary-for-making-and~~

32 ~~protecting-direct-loans-under-this-section,-and-for-the~~

33 ~~recovery-of-moneys-loaned-or-the-management-of-property~~

34 ~~acquired-in-connection-with-the-loans.~~

35 Sec. 16. Section 14 of this Act applies to state corporate

1 income taxes collected on or after the effective date of this  
2 Act.

3 EXPLANATION

4 This bill establishes an Iowa resources enhancement and  
5 protection fund. The fund is allocated and appropriated for  
6 several purposes including 28 percent to provide for the  
7 implementation of the statewide open space acquisition and  
8 protection program; 20 percent for a conservation education  
9 program and county conservation programs; 20 percent for soil  
10 and water enhancement programs; 15 percent to cities for  
11 natural parks and open spaces; 9 percent to a state land  
12 management trust, the investment income of which shall be used  
13 to maintain state lands, parks, and related facilities; 5  
14 percent to the department of cultural affairs to implement  
15 historical resource development programs, and 3 percent to the  
16 living roadway trust fund.

17 The bill creates 16 regional assemblies of persons  
18 interested in conservation protection and resource enhancement  
19 and creates an Iowa congress on resource enhancement and  
20 protection consisting of delegates from the regional  
21 assemblies to advise the general assembly on issues and  
22 funding needs relating to the outdoors and natural resources  
23 of the state.

24 A county resources enhancement committee is created in each  
25 county to coordinate and comment on the local city and county  
26 projects which are submitted for funding from state funds.  
27 The committee's membership includes locally elected officials  
28 and representatives of farm and conservation groups.

29 A county education enhancement program board is also  
30 established in the department of education to promote  
31 conservation education and provide stipends to Iowa educators  
32 who participate in innovative programs.

33 The bill authorizes the county conservation boards to  
34 develop and implement Iowa county beautification programs in  
35 the county to encourage the prevention and cleanup of litter.

1 The bill also authorizes the issuance of state-sponsored  
2 credit cards by certain financial institutions to raise funds  
3 and the state's share of revenues from a federal windfall  
4 profit tax court ruling are allocated to the Iowa resources  
5 enhancement and protection fund.

6 The bill imposes a state mandate as defined in chapter 25B.

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HOUSE FILE 769  
FISCAL NOTE

A fiscal note for HOUSE FILE 769 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.

House File 769 establishes a Resource Enhancement and Protection (REAP) Fund within the State Treasury. Monies credited to the Fund would be available for the following purposes in the percentages of total fund revenue listed: to the Open Spaces account for land purchases by the Department of Natural Resources (28%), to the County Conservation account for use by county conservation boards (20%), to the Soil and Water Enhancement account for reforestation, woodland protection, wildlife habitat, protection of highly erodible lands, and clean water programs (20%), to the Cities' Parks and Open Spaces account (15%), to the State Land Management Trust account for use by the Department of Natural Resources to maintain state-owned lands (9%), to the Historical Resources Grant and Loan Fund of the Department of Cultural Affairs (5%), and to the Living Roadway Trust Fund (3%).

The bill also grants authority to the Treasurer of the State to enter into an agreement with financial institutions for the purpose of establishing a state-sponsored "affinity" credit card. This affinity credit card would return to the REAP Fund a percent of the purchases charged by the card holder. Funding for the program is also available from any windfall profits tax credited to the state which results from a recent United States Supreme Court decision.

House File 769 also establishes a biennial Iowa Congress on Resource Enhancement and Protection. This congress will be comprised of five representatives elected from each Council of Governments area within the state.

Assumptions:

1. 2% of Iowa's population will obtain affinity cards (60,000 cards).
2. An average of \$2,000 will be charged per card each year.
3. The state will receive 1% of each purchase.

Fiscal Effect:

The Department of Natural Resources estimates that, assuming an annual funding level of \$15,000,000, the program will annually demand \$150,000 and 5.00 FTE positions to administer. The costs includes \$22,000 every other year for the congress, and salaries, support and indirect costs for 3.00 FTE positions in the Land Acquisitions Bureau, 1.00 FTE position in the Budget and Grants Bureau, and 1.00 FTE position in the Planning Bureau. These positions and expenditures would be funded through the REAP program.

The bill allows the Department of Cultural Affairs to expend ten percent of the funds credited to the historical grants program, up to \$75,000 per year, for administration.

The income from the affinity credit card is dependent upon the number of individuals acquiring the card, the average amount charged per year per card, and the percentage of each purchase credited to the fund. Based upon the assumptions listed above, the affinity card program would generate \$1,200,000 each year for the REAP program. The amount of income generated through the windfall profits ruling by the Supreme Court is dependent upon Iowa's share of the more than \$100 million owed the seven states affected by the ruling, and the amount of tax prepaid to the state treasury by the companies involved. The Department of Revenue and Finance does not have sufficient information to estimate the amount of revenue that would be available to the REAP program from this funding source.

Sources:

Department of Natural Resources  
Department of Revenue and Finance

(LSB 219/hw. JWR)

FILED APRIL 19, 1989

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 769

H-4191

1 Amend House File 769 as follows:

2 1. Page 9, by inserting after line 25 the  
3 following:

4 " A political subdivision of the state  
5 acquiring private property under this section shall  
6 pay the property taxes relating to education funded as  
7 provided in chapter 442 and fire protection which  
8 would otherwise be subject to the levy of property  
9 taxes for those purposes. The assessed value of real  
10 property acquired by a political subdivision under  
11 this section shall be that determined as provided in  
12 section 427.1, subsection 31, and the political  
13 subdivision may protest the assessed value in the  
14 manner provided by law for any property owner to  
15 protest an assessment. For the purposes of chapter  
16 442, the assessed value of the property acquired by  
17 the political subdivision shall be included in the  
18 valuation base of the school district and the payments  
19 made pursuant to this section shall be considered as  
20 property tax revenues and not as miscellaneous income.  
21 The county treasurer shall certify taxes due to the  
22 department. The taxes shall be paid annually from the  
23 fund or account from which the property acquisition  
24 was funded."

By HALVORSON of Clayton

H-4191 FILED APRIL 25, 1989

LOST

42-51 (p. 561)

HOUSE FILE 769

H-4171

- 1 Amend House File 769 as follows.
- 2 1. Page 3, line 2, by inserting after the word
- 3 "the" the following: "governor, the general assembly,
- 4 and the".
- 5 2. Page 3, lines 18 and 19, by striking the words
- 6 "received from the tax on beverage containers".
- 7 3. Page 3, lines 27 and 28, by striking the words
- 8 "quarterly and".
- 9 4. Page 14, line 23, by striking the words
- 10 "paragraph b,".
- 11 5. Page 16, line 9, by striking the words and
- 12 figure "as authorized in section 467F.2".
- 13 6. Page 17, by inserting after line 2, the
- 14 following:
- 15 "Sec. \_\_\_\_ . This Act, being deemed of immediate
- 16 importance, takes effect upon enactment."
- 17 7. Title page, by striking lines 4 and 5, and
- 18 inserting the following: "providing for properly
- 19 related matters, subjecting violators to penalties,
- 20 and providing an effective date.

By GRINCA of Cerro Gordo

H-4171 FILED APRIL 24, 1989

(initials) 4-25-89 (P. 100)

sen ways means  
amend to pass

5-1-89 (p 1808)

HOUSE FILE 769

BY COMMITTEE ON WAYS AND  
MEANS

(SUCCESSOR TO HF 708)

(As Amended and Passed by the House April 25, 1989)

Re Passed House, Date 5-3-89 (p 2357) Passed Senate, Date 5-2-89 (p. 1847)  
Vote: Ayes 91 Nays 0 Vote: Ayes 40 Nays 6  
Approved May 27, 1989

A BILL FOR

1 An Act creating an Iowa resources enhancement and protection  
2 fund, providing for the allocation of fund revenue and making  
3 appropriations, authorizing a state-sponsored credit card,  
4 providing for properly related matters, subjecting violators  
5 to penalties, and providing an effective date.

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

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House Amendments \_\_\_\_\_  
Deleted Language \*



1 DIVISION I  
2 IOWA RESOURCES ENHANCEMENT AND PROTECTION

3 Section 1. Section 455A.1, Code 1989, is amended by adding  
4 the following new subsections:

5 NEW SUBSECTION. 5. "Fund" means the Iowa resources  
6 enhancement and protection fund created under section 455A.18.

7 NEW SUBSECTION. 6. "Soil conservation division" means the  
8 soil conservation division of the department of agriculture  
9 and land stewardship.

10 DIVISION II

11 Sec. 2. NEW SECTION. 455A.15 LEGISLATIVE FINDINGS.

12 The general assembly finds that:

13 1. The citizens of Iowa have built and sustained their  
14 society on Iowa's air, soils, waters, and rich diversity of  
15 life. The well-being and future of Iowa depend on these  
16 natural resources.

17 2. Many human activities have endangered Iowa's natural  
18 resources. The state of Iowa has lost ninety-nine and nine-  
19 tenths percent of its prairies, ninety-eight percent of its  
20 wetlands, eighty percent of its woodlands, fifty percent of  
21 its topsoils, and more than one hundred species of wildlife  
22 since settlement in the early 1800's. There has been a  
23 significant deterioration in the quality of Iowa's surface  
24 waters and groundwaters.

25 3. The long-term effects of Iowa's natural resource losses  
26 are not completely known or understood, but detrimental  
27 effects are already apparent. Prevention of further loss is  
28 therefore imperative.

29 4. The air, waters, soils, and biota of Iowa are  
30 interdependent and form a complex ecosystem. Iowans have the  
31 right to inherit this ecosystem in a sustainable condition,  
32 without severe or irreparable damage caused by human  
33 activities.

34 Sec. 3. NEW SECTION. 455A.16 STATE RESOURCE ENHANCEMENT  
35 POLICY.

1 It is the policy of the state of Iowa to protect its  
2 natural resource heritage of air, soils, waters, and wildlife  
3 for the benefit of present and future citizens with the  
4 establishment of a resource enhancement program. The program  
5 shall be a long-term integrated effort to wisely use and  
6 protect Iowa's natural resources through the acquisition and  
7 management of public lands; the upgrading of public park and  
8 preserve facilities; environmental education, monitoring, and  
9 research; and other environmentally sound means. The resource  
10 enhancement program shall strongly encourage Iowans to develop  
11 a conservation ethic, and to make necessary changes in our  
12 activities to develop and preserve a rich and diverse natural  
13 environment.

14 Sec. 4. NEW SECTION. 455A.17 IOWA CONGRESS ON RESOURCES  
15 ENHANCEMENT AND PROTECTION.

16 1. Biennially, during even-numbered years, the director  
17 shall schedule and make the necessary arrangements for an Iowa  
18 congress on resources enhancement and protection. The  
19 congress shall be held within the state capitol complex during  
20 the summer months.

21 2. Prior to each congress, the director shall make  
22 arrangements to hold an assembly in each council of  
23 governments area of persons having an interest in resources  
24 enhancement and protection. The department shall promote  
25 attendance of interested persons at each assembly. The  
26 director shall call each assembly and serve as temporary  
27 chairperson. The department shall provide those attending  
28 with information regarding resource enhancement and protection  
29 expenditures. The assemblies shall identify opportunities for  
30 regional resource enhancement and protection and review and  
31 recommend changes in resource enhancement and protection  
32 policies, programs, and funding. The persons meeting at each  
33 assembly shall elect five persons as delegates to the congress  
34 on resources enhancement and protection.

35 3. The delegates to the congress on resources enhancement

1 and protection shall organize, discuss, and make  
2 recommendations to the governor, the general assembly, and the  
3 natural resource commission regarding issues concerning  
4 resources enhancement and protection. The director shall call  
5 the congress and serve as temporary chairperson. The  
6 delegates are entitled to a per diem of forty dollars for  
7 expenses of office while attending the congress.

8 4. The expenses of the department in making the  
9 arrangements for and the conducting of the council of  
10 governments area assemblies and the congress on resources  
11 enhancement and protection and the per diem for expenses of  
12 the delegates at the congress shall be paid from the funds  
13 appropriated for this purpose.

14 Sec. 5. NEW SECTION. 455A.18 IOWA RESOURCES ENHANCEMENT  
15 AND PROTECTION FUND -- AUDITS.

16 1. An Iowa resources enhancement and protection fund is  
17 created in the office of the treasurer of state. The fund  
\*18 consists of all revenues and all other moneys lawfully  
19 credited or transferred to the fund. The director shall  
20 certify monthly the portions of the fund that are allocated to  
21 the various accounts as provided under section 455A.19. The  
22 director shall certify before the twentieth of each month the  
23 portions of the fund resulting from the previous month's  
24 receipts to be allocated to the various accounts.

25 2. The auditor of state or a certified public accountant  
\*26 firm appointed by the auditor of state shall conduct annual  
27 audits of all accounts and transactions of the fund.

28 3. Notwithstanding section 453.7, interest or earnings on  
29 investments or time deposits of the funds in the Iowa re-  
30 sources enhancement and protection fund or any of its accounts  
31 shall be credited to the fund.

32 Sec. 6. NEW SECTION. 455A.19 ALLOCATION OF FUND  
33 PROCEEDS.

34 1. Upon receipt of any revenue, the director shall deposit  
35 the moneys in the Iowa resources enhancement and protection

1 fund created pursuant to section 455A.18. The first three  
2 hundred fifty thousand dollars of the funds received for  
3 deposit in the fund annually shall be allocated to the  
4 conservation education board for the purposes specified in  
5 section 256.33. One percent of the revenue receipts shall be  
6 deducted and transferred to the administration fund provided  
7 for in section 107.17. All of the remaining receipts shall be  
8 allocated to the following accounts:

4029- 9 a. Twenty-eight percent shall be allocated to the open  
10 spaces account. At least ten percent of the allocations to  
11 the account shall be made available to match private funds for  
12 open space projects on the cost-share basis of not less than  
13 twenty-five percent private funds pursuant to the rules  
14 adopted by the natural resources commission. This account  
15 shall be used by the department to implement the statewide  
16 open space acquisition and protection program as provided in  
17 section 111E.2. The department shall give priority to  
18 acquisition or control of open spaces of statewide  
19 significance. The total cost of an open spaces project funded  
20 under this paragraph shall not exceed two million dollars  
21 unless a public hearing is held on the project in the area of  
22 the state affected by the project and the expenditures in  
23 excess of two million dollars are approved by a two-thirds  
4027/24 vote of the commission. Political subdivisions of the state  
25 shall be reimbursed for property tax dollars lost to open  
26 space acquisitions based on the reimbursement formula provided  
27 for in section 111E.4. There is appropriated from the open  
28 spaces account to the department the amount in that account,  
29 or so much thereof as is necessary, to carry out the open  
30 spaces program as specified in this paragraph. An  
31 appropriation made under this paragraph shall continue in  
32 force for two fiscal years after the fiscal year in which the  
33 appropriation was made or until completion of the project for  
34 which the appropriation was made, whichever date is earlier.  
35 All unencumbered or unobligated funds remaining at the close

1 of the fiscal year in which the project is completed or at the  
2 close of the third fiscal year, whichever date is earlier,  
3 shall revert to the open spaces account.

4 b. Twenty percent shall be allocated to the county  
5 conservation account.

6 (1) Thirty percent of the allocation to the county  
7 conservation account annually shall be allocated to each  
8 county equally.

9 (2) Thirty percent of the allocation to the county  
10 conservation account annually shall be allocated to each  
11 county on a per capita basis.

12 (3) Forty percent of the allocation to the county  
13 conservation account annually shall be held in an account in  
14 the state treasury for the natural resource commission to  
15 award to counties on a competitive grant basis by a project  
16 selection committee established in this subparagraph. Local  
17 matching funds are not required for grants awarded under this  
18 subparagraph. The project planning and review committee shall  
19 be composed of two staff members of the department and two  
20 county conservation board directors appointed by the director  
21 and a fifth member selected by a majority vote of the  
22 director's appointees. The natural resource commission, by  
23 rule, shall establish procedures for application, review, and  
24 selection of county projects submitted for funding. Upon  
25 recommendation of the project planning and review committee,  
26 the director shall award the grants.

27 (4) Funds allocated to the counties under subparagraphs  
28 (1), (2), and (3) may be used for land easements or  
29 acquisitions, capital improvements, stabilization and  
30 protection of resources, repair and upgrading of facilities,  
31 environmental education, and equipment. However, expenditures  
32 are not allowed for single or multipurpose athletic fields,  
33 baseball or softball diamonds, tennis courts, golf courses,  
34 and other group or organized sport facilities. Funds may be  
35 used for county projects located within the boundaries of a

1 city.

2 (5) Funds allocated pursuant to subparagraphs (2) and (3)

3 shall only be allocated to counties dedicating property tax

4 revenue at least equal to twenty-two cents per thousand

5 dollars of the assessed value of taxable property in the

6 county to county conservation purposes. State funds received

7 under this paragraph shall not reduce or replace county tax

8 revenues appropriated for county conservation purposes. The

9 county treasurer shall submit documentation annually of the

10 dedication of property tax revenue for county conservation

11 purposes. The annual audit of the financial transactions and

12 condition of a county shall certify compliance with

13 requirements of this subparagraph. Funds not allocated to

14 counties not qualifying for the allocations under subparagraph

15 (2) as a result of this subparagraph shall be held in reserve

16 for each county for two years. Counties qualifying within two

17 years may receive the funds held in reserve. Funds not spent

18 by a county within two years shall revert to the general pool

19 of county funds for reallocation to other counties where

20 needed.

21 (6) Each board of supervisors shall create a special

22 resource enhancement account in the office of county treasurer

23 and the county treasurer shall credit all resource enhancement

24 funds received from the state in that account.

25 Notwithstanding section 453.7, all interest earned on funds in

26 the county resource enhancement account shall be credited to

27 that account and used for the purposes authorized for that

28 account.

29 (7) There is appropriated from the county conservation

30 account to the department the amount in that account, or so

31 much thereof as is necessary, to fund the provisions of this

32 paragraph. An appropriation made under this paragraph shall

33 continue in force for two fiscal years after the fiscal year

34 in which the appropriation was made or until completion of the

35 project for which the appropriation was made, whichever date

1 is earlier. All unencumbered or unobligated funds remaining  
2 at the close of the fiscal year in which a project funded  
3 pursuant to subparagraph (3) is completed or at the close of  
4 the third fiscal year, whichever date is earlier, shall revert  
5 to the county conservation account.

6 (8) Any funds received by a county under this paragraph  
7 may be used to match other state or federal funds, and  
8 multicounty or multiagency projects may be funded under this  
9 paragraph.

4029 10 c. Twenty percent shall be allocated to the soil and water  
11 enhancement account. The moneys shall be used to carry out  
12 soil and water enhancement programs including, but not limited  
13 to, reforestation, woodland protection and enhancement,  
14 wildlife habitat preservation and enhancement, protection of  
15 highly erodible soils, and clean water programs. The division  
16 of soil conservation, by rule, shall establish procedures for  
17 eligibility, application, review, and selection of projects  
18 and practices to implement the requirements of this paragraph.  
19 There is appropriated from the soil and water enhancement  
20 account to the soil conservation division the amount in that  
21 account, or so much thereof as is necessary, to carry out the  
22 programs as specified in this paragraph. Remaining funds of  
23 the soil and water conservation account shall be allocated to  
24 the accounts of the water protection fund authorized in  
25 section 467F.4. Annually, fifty percent of the soil and water  
26 enhancement account funds, not to exceed one million dollars,  
27 shall be allocated to the water quality protection projects  
28 account. The balance of the funds shall be allocated to the  
29 water protection practices account. An appropriation made  
30 under this paragraph shall continue in force for two fiscal  
31 years after the fiscal year in which the appropriation was  
32 made or until completion of the project for which the  
33 appropriation was made, whichever date is earlier. All  
34 unencumbered or unobligated funds remaining at the close of  
35 the fiscal year in which the project is completed or at the

1 close of the third fiscal year, whichever date is earlier,  
2 shall revert to the soil and water enhancement account.

402A-3 d. Fifteen percent shall be allocated to a cities' parks  
4 and open space account. The moneys allocated in this  
5 paragraph may be used to fund competitive grants to cities to  
6 acquire, establish, and maintain natural parks, preserves, and  
7 open spaces. The grants may include expenditures for  
8 multipurpose trails, restroom facilities, shelter houses, and  
9 picnic facilities, but expenditures for single or multipurpose  
10 athletic fields, baseball or softball diamonds, tennis courts,  
11 golf courses, and other group or organized sport facilities  
12 requiring specialized equipment are excluded. The grants may  
13 be used for city projects located outside of a city's  
14 boundaries. The natural resource commission, by rule, shall  
15 establish procedures for application, review, and selection of  
16 city projects on a competitive basis. The rules shall provide  
17 for three categories of cities based on population within  
18 which the cities shall compete for grants. There is  
19 appropriated from the cities' parks and open space account to  
20 the department the amount in that account, or so much thereof  
21 as is necessary, to carry out the competitive grant program as  
22 provided in this paragraph.

402A- 23 e. Nine percent shall be allocated to the state land  
24 management trust account. The department shall use the income  
25 from the moneys allocated to this account for maintenance and  
26 expansion of state lands and related facilities under its  
27 jurisdiction. The authority to expand state lands and  
28 facilities under this paragraph is limited to expansion of the  
29 state lands and facilities already owned by the state. There  
30 is appropriated from the state land management trust account  
31 to the department the amount of investment income earned from  
32 the moneys in that account, or so much thereof as is  
33 necessary, to implement a maintenance and expansion program  
34 for state lands and related facilities under the jurisdiction  
35 of the department.



1 f. Five percent shall be allocated to the historical  
2 resource grant and loan fund established pursuant to section  
3 303.16. The department of cultural affairs shall use the  
4 moneys allocated to this fund to implement historical resource  
5 development programs as provided under section 303.16.

6 g. Three percent shall be allocated to the living roadway  
7 trust fund established under section 314.21 for the  
8 development and implementation of integrated roadside  
9 vegetation plans.

10 2. The moneys appropriated under this section shall remain  
11 in the appropriate account of the Iowa resources enhancement  
12 and protection fund until such time as the agency, board,  
13 commission, or overseer of the fund to which moneys are  
14 appropriated has made a request to the treasurer for use of  
15 moneys appropriated to it and the amount needed for that use.  
16 Notwithstanding section 8.33, moneys remaining of the  
17 appropriations made for a fiscal year from any of the accounts  
18 within the Iowa resources enhancement and protection fund on  
19 June 30 of that fiscal year, shall not revert to any fund but  
20 shall remain in that account to be used for the purposes for  
21 which they were appropriated and the moneys remaining in that  
22 account shall not be considered in making the allotments for  
23 the next fiscal year.

4037 24 Sec. 7. NEW SECTION. 455A.20 COUNTY RESOURCE ENHANCEMENT  
25 COMMITTEE.

26 1. A county resource enhancement committee is created in  
27 each county. The membership of the committee shall be as  
28 follows:

29 a. The chairpersons of the board of supervisors, county  
30 conservation board, commissioners of the soil and water  
31 district, and board of directors of each school district in  
32 the county. A chairperson may appoint a member of the  
33 chairperson's board or commission as the chairperson's  
34 designee on the committee. The chairperson or designee of a  
35 school district shall be a member of the county committee of

1 the county in which a majority or the largest plurality of the  
2 district's students reside.

3 b. The mayor or the mayor's designee of each city in a  
4 county. The mayor's designee shall be a member of the city  
5 council. If a city is located in more than one county, the  
6 membership shall be on the county committee of the county in  
7 which the largest population of the city resides.

8 c. The chairperson or the chairperson's designee of each  
9 recognized farm organization having a county organization in  
10 the county. The designee shall be a member of the  
11 organization represented. The recognized farm organizations  
12 are the Iowa farm bureau federation, the Iowa farmers union,  
13 the Iowa grange, the national farmers organization, and the  
14 Iowa farm unity coalition.

15 d. The chairperson or the chairperson's designee of each  
16 of the following wildlife or conservation organizations having  
17 a recognized county organization:

- 18 (1) Iowa Audubon council.
- 19 (2) Iowa sportsmens federation.
- 20 (3) Ducks unlimited.
- 21 (4) Sierra club.
- 22 (5) Pheasants forever.
- 23 (6) The nature conservancy.
- 24 (7) Iowa association of naturalists.
- 25 (8) Izaak Walton league of America.
- 26 (9) Other recognized wildlife, conservation,  
27 environmental, recreation, or conservation education groups.  
28 The designee shall be a member of the county chapter or  
29 organization in the county.

30 e. If a question arises as to whether a recognized county  
31 organization exists under paragraph "c" or "d", the question  
32 shall be decided by a majority vote of the members selected  
33 under paragraphs "a" and "b" excluding the representative of  
34 the county conservation board.

35 2. The duties of the county resource enhancement committee

1 are to coordinate the resource enhancement program, plans, and  
2 proposed projects developed by cities, county conservation  
3 board, and soil and water conservation district commissioners  
4 for funding under this division. The county committee shall  
5 review and comment upon all projects before they are submitted  
6 for funding under section 455A.19. Each county committee  
7 shall propose a five-year program plan which includes a one-  
8 year proposed expenditure plan and submit it to the  
9 department.

10 3. The initial meeting of the committee shall be called by  
11 the chairperson of the board of supervisors. The chairperson  
12 shall give written notice of the date, time, and location of  
13 the first meeting. The county committee shall meet at least  
14 annually to organize by selecting a chairperson, vice  
15 chairperson, and other officers as necessary. The committee  
16 shall adopt rules governing the conduct of its meetings,  
17 subject to chapter 21.

18 4. The board of supervisors shall provide a meeting room  
19 and the necessary secretarial and clerical assistance for the  
20 committee. The expenses shall be paid from the county general  
21 fund.

22 5. The members of the committee are not entitled to  
23 compensation or expenses related to their duties of office,  
24 except as may otherwise be provided by the boards,  
25 commissions, or organizations which the members represent.

26 Sec. 8. NEW SECTION. 12.46 STATE-SPONSORED CREDIT CARD.

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

29 a. "Financial institution" means a state bank as defined  
30 in section 524.103, subsection 19, a federally chartered state  
31 bank having its principal office within this state, a  
32 federally chartered credit union having its principal office  
33 within this state, a federally chartered savings and loan  
34 association having its principal office within the state, a  
35 credit union organized under chapter 533, an association

1 incorporated or authorized to do business under chapter 534,  
2 or a trust company organized or incorporated under the laws of  
3 this state.

4 b. "Financial institution credit card" means a credit card  
5 that entitles the holder to make open-account purchases up to  
6 an approved amount and is issued through the agency of a  
7 financial institution.

8 c. "Sponsoring entity" means an entity that allows its  
9 name or logo to be used on a particular financial institution  
10 credit card in exchange for a fee from the credit card issuer.

11 2. The treasurer is authorized to participate in a  
12 financial institution credit card program for the benefit of  
13 the state. Within six months of the effective date of this  
14 Act, the treasurer shall contact each financial institution to  
15 determine if:

16 a. The financial institution or its Iowa holding company  
17 or Iowa affiliate currently administers a credit card program.

18 b. The credit card program provides a fee or commission on  
19 retail sales to the sponsoring entity for the issuance and use  
20 of the credit card.

21 c. The credit card program would accept the state as a  
22 sponsoring entity.

23 If the treasurer determines that the state may be a  
24 sponsoring entity for a financial institution credit card, the  
25 treasurer shall negotiate the most favorable rate for the  
26 state's fee by a credit card issuer. The state shall not  
27 offer a more favorable rate to any other credit card issuer.  
28 The rate must be expressed as a percentage of the gross sales  
29 from the use of the credit card. The proceeds of the fee  
30 shall be deposited in the Iowa resources enhancement and  
31 protection fund created under section 455A.18. The treasurer  
32 shall recommend a logo or design for the state-sponsored  
33 credit card indicating the use for which the revenues will be  
34 used.

35 In selecting a credit card issuer, the treasurer shall

1 consider the issuer's record of investments in the state,  
2 shall take into consideration credit card features which will  
3 enhance the promotion of the state-sponsored credit card  
4 including, but not limited to, favorable interest rates,  
5 annual fees, and other fees for using the card, and shall  
6 require that the card be available to any person who qualifies  
7 for a credit card. Upon entering into an agreement with the  
8 financial institution, the treasurer shall notify all state  
9 agencies then possessing a credit card to obtain the new  
10 state-sponsored credit card. The financial institution is  
11 authorized to solicit participation from state employees.

4029-

12 Sec. 9. NEW SECTION. 111A.12 IOWA'S COUNTY  
13 BEAUTIFICATION PROGRAM.

14 1. A county conservation board may establish an Iowa's  
15 county beautification program to encourage the prevention and  
16 cleanup of litter in public areas of the county. The county  
17 conservation director shall prepare and implement the program  
18 which is designed to employ persons from fourteen years of age  
19 to eighteen years of age in a six-week summer program. The  
20 program may include public informational activities, but shall  
21 be directed primarily toward encouraging and facilitating  
22 involvement in litter prevention and cleanup. The program  
23 shall also include weekly instruction on safety in the work  
24 place while employed with an Iowa's county beautification  
25 program. Financial assistance for an Iowa's county  
26 beautification program may be received through the county  
27 conservation account pursuant to section 455A.19. County  
28 matching funds shall not be required for eligibility for  
29 funding an Iowa's county beautification program.

30 2. A county conservation board shall coordinate its Iowa's  
31 county beautification program with the county engineer or  
32 director of the county secondary road department and with the  
33 district highway engineer of the state department of  
34 transportation. The respective county and state highway  
35 authorities, within time and budgetary limitations, shall

1 cooperate with the county conservation board in implementing  
2 the litter program in regard to the rights-of-way of primary  
3 and secondary roads when requested by the county conservation  
4 board.

5 Sec. 10. NEW SECTION. 256.33 CONSERVATION EDUCATION  
6 PROGRAM BOARD.

7 1. A conservation education program board is created in  
8 the department. The board shall have three members appointed  
9 as follows:

10 a. One member appointed by the director of the department  
11 of education.

12 b. One member appointed by the director of the department  
13 of natural resources.

14 c. One member appointed by the president of the Iowa  
15 association of county conservation boards.

16 2. The duties of the board are to revise and produce  
17 conservation education materials and to specify stipends to  
18 Iowa educators who participate in innovative conservation  
19 education programs approved by the board. The board shall  
20 allocate the funds provided for under section 455A.19,

\* 21 subsection 1, for the educational materials and stipends.

22 3. The department shall administer the funds allocated to  
23 the conservation education program as provided in this  
24 section.

25 Sec. 11. Section 303.16, subsection 7, Code 1989, is  
26 amended to read as follows:

27 7. The department may use twenty-five-thousand-dollars ten  
28 percent of the amount appropriated to the department, but in  
29 no event more than seventy-five thousand dollars for  
30 administration of the grant and loan program.

31 Sec. 12. Section 303.16, subsection 8, paragraph a, Code  
32 1989, is amended to read as follows:

33 a. The department may establish a historical resource  
34 revolving grant and loan fund composed of any money  
35 appropriated by the general assembly for that purpose, funds

1 allocated pursuant to section 455A.19, and of any other moneys  
2 available to and obtained or accepted by the department from  
3 the federal government or private sources for placement in  
4 that fund. Each loan made under this section shall be for a  
5 period not to exceed ten years, shall bear interest at a rate  
6 determined by the state historical board, and shall be  
7 repayable to the revolving loan fund in equal yearly  
8 installments due March 1 of each year the loan is in effect.  
9 The interest rate upon loans for which payment is delinquent  
10 shall accelerate immediately to the current legal usury limit.  
11 Applicants shall be eligible for no more than twenty-five one  
12 hundred thousand dollars in loans outstanding at any time  
13 under this program.

14 Sec. 13. Section 303.16, subsection 8, paragraph b,  
15 subparagraph (2), Code 1989, is amended to read as follows:

16 (2) Authorize payment from the revolving historical  
17 resource grant and loan fund, from fees and from any income  
18 received by investments of money in the fund for costs,  
19 commissions, attorney fees and other reasonable expenses  
20 related to and necessary for making and protecting direct  
21 loans under this section, and for the recovery of moneys  
22 loaned or the management of property acquired in connection  
23 with such loans.

24 Sec. 14. Section 422.69, Code 1989, is amended by adding  
25 the following new subsection:

26 NEW SUBSECTION. 4. The director shall estimate the amount  
27 of state corporate income tax revenues collected as a result  
28 of the United States supreme court decision holding that the  
29 federal windfall profits tax is not a federal income tax and  
30 shall deposit a like amount in the Iowa resources enhancement  
31 and protection fund created under section 455A.18.

32 Sec. 15. Section 467F.4, unnumbered paragraph 1 and  
33 subsection 2, Code 1989, are amended to read as follows:

34 A water protection fund is created within the division.  
35 The fund is composed of money appropriated by the general

1 assembly for that purpose, and moneys available to and  
 2 obtained or accepted by the state soil conservation committee  
 3 from the United States or private sources for placement in the  
 4 fund. The fund shall be divided into two accounts, the water  
 5 quality protection account and the water protection practices  
 \* 6 account. The first account shall be used to carry out water  
 7 quality protection projects to protect the state's surface and  
 8 groundwater from point and nonpoint sources of contamination.  
 9 The second account shall be used to establish water protection  
 10 practices with individual landowners including but not limited  
 11 to woodland establishment and protection, establishment of  
 12 native grasses and forbs, sinkhole management, ag drainage  
 13 well management, streambank stabilization, grass waterway  
 14 establishment, stream buffer strip establishment, and erosion  
 15 control structure construction. Twenty-five percent of funds  
 16 appropriated to the water protection practices account shall  
 17 be used for woodland establishment and protection, and  
 18 establishment of native grasses and forbs. Soil and water  
 19 conservation district commissioners shall give priority to  
 20 applications for practices that implement their soil and water  
 21 resource conservation plan. The fund shall be a revolving  
 22 loan fund from which moneys may be used for loans, grants,  
 23 administrative costs, and cost-sharing.

24 2. Authorize payment from the water protection fund, from  
 25 fees and from any income received by investments of money in  
 26 the fund for costs, commissions, attorney-fees, and other  
 27 reasonable expenses ~~related to and necessary for making and~~  
 28 ~~protecting direct loans under this section, and for the~~  
 29 ~~recovery of moneys loaned or the management of property~~  
 30 ~~acquired in connection with the loans.~~

31 Sec. 16. Section 14 of this Act applies to state corporate  
 32 income taxes collected on or after the effective date of this  
 33 Act.

34 Sec. 17. This Act, being deemed of immediate importance,  
 35 takes effect upon enactment.



HOUSE FILE 769

S-4037

1 Amend House File 769 as amended, passed, and reprinted  
2 by the House, as follows:  
3 1. Page 9, by inserting after line 23, the  
4 following:  
5 3. Notwithstanding section 211.85, all lands acquired  
6 by the state pursuant to this section for state parks,  
7 forests, or recreation areas are exempt from any state  
8 park user fee or perm.t."

S-4037

FILED MAY 1, 1989

BY JOHN P. KIBBIE  
JOHN E. SOORHOLTZ

~~WA~~ 52-89 (p1847)

HOUSE FILE 769

S-4047

1 Amend House File 769, as amended, passed, and re-  
2 printed by the House, as follows:  
3 1. Page 4, line 24, by inserting after the word  
4 "commission," the following: "The ownership or  
5 management or both of land being acquired by the  
6 department, may be transferred by a chapter 28E  
7 agreement and subject to negotiation with the seller  
8 to a political subdivision of the state."

By LYNN FUHRMAN  
JOHN KIBBIE  
JOHN SOORHOLTZ

JIM RIORDAN  
BERL E. PRIEBE

S-4047 FILED MAY 2, 1989

RULED OUT OF ORDER

52-89 (p1846)

HOUSE FILE 769

S-4029

1 Amend House File 769, as amended, passed, and re-  
2 printed by the House, as follows:

- 3 1. Page 4, line 9, by striking the word "Twenty-  
4 eight" and inserting the following: "Five".
- 5 2. Page 4, line 20, by striking the word "two"  
6 and inserting the following: "three".
- 7 3. Page 4, line 23, by striking the word "two"  
8 and inserting the following: "three".
- 9 4. Page 4, by striking lines 33 and 34 and  
10 inserting the following: "appropriation was made or  
11 until completion of the project."
- 12 5. Page 5, line 2, by striking the word "third"  
13 and inserting the word "final".
- 14 6. Page 5, line 4, by striking the word "Twenty"  
15 and inserting the following: "Twenty-five".
- 16 7. Page 7, line 10, by striking the word "Twenty"  
17 and inserting the following: "Twenty-seven".
- 18 8. Page 8, line 3, by striking the word "Fifteen"  
19 and inserting the following: "Twenty".
- 20 9. Page 8, line 23, by striking the word "Nine"  
21 and inserting the following: "Fifteen".
- 22 10. Page 13, by inserting after line 11 the fol-  
23 lowing:

24 "Sec. \_\_\_\_ . NEW SECTION. 15.273 COOPERATIVE  
25 TOURISM PROGRAM.

26 The department shall assist the department of  
27 natural resources in promoting the state parks, state  
28 recreation areas, lakes, rivers, and streams under the  
29 jurisdiction of the natural resource commission for  
30 tourism purposes. The department of natural resources  
31 shall provide the department with brochures and other  
32 printed information concerning hunting and fishing  
33 opportunities, recreational opportunities in state  
34 parks and recreation areas, and other natural and  
35 historic information of interest to tourists.

36 The department shall disseminate the brochures and  
37 other information provided by the department of  
38 natural resources through the welcome centers, sports  
39 and vacation shows, direct information requests, and  
40 other programs implemented by the department to  
41 promote tourism and related forms of economic  
42 development in this state."

S-4029  
FILED MAY 1, 1989

BY COMMITTEE ON WAYS AND MEANS  
WILLIAM W. DTELEMAN, CHAIRPERSON

*adopted 5-2-89 (p1846)*

## HOUSE FILE 769

S-4065

1 Amend the Committee amendment, S-4029, to House  
2 File 769, as amended, passed, and reprinted by the  
3 House, as follows:

4 1. Page 1, by striking lines 3 through 8 and  
5 inserting the following:

6 "\_\_\_\_. Page 4, line 14, by inserting after the  
7 word "commission." the following: "Five percent of  
8 the funds allocated to the open spaces account shall  
9 be used to fund the protected waters program."

10 \_\_\_\_\_. Page 4, by striking lines 16 through 24 and  
11 inserting the following: "open space acquisition,  
12 protection, and development programs. The department  
13 shall give priority to acquisition and control of open  
14 spaces of statewide significance. The department  
15 shall also use these funds for developments on state  
16 property. The total cost of an open spaces project  
17 funded under this paragraph shall not exceed two  
18 million dollars unless a public hearing is held on the  
19 project in the area of the state affected by the  
20 project. Political subdivisions of the state".

21 2. Page 1, by striking lines 14 through 21 and  
22 inserting the following:

23 "\_\_\_\_. Page 8, by striking lines 24 through 31 and  
24 inserting the following: "management account. The  
25 department shall use the moneys allocated to this  
26 account for maintenance and expansion of state lands  
27 and related facilities under its jurisdiction. The  
28 authority to expand state lands and facilities under  
29 this paragraph is limited to expansion of the state  
30 lands and facilities already owned by the state.  
31 There is appropriated from the state land management  
32 account to the department".

By JIM RIORDAN  
EMIL HUSAK  
LEONARD BOSWELL

C. JOSEPH COLEMAN  
BERL E. PRIEBE  
JACK W. HESTER

S-4065 FILED MAY 2, 1989

ADOPTED 5-2-89 (p. 1846)

SENATE AMENDMENT TO HOUSE FILE 769

B-4389

1 Amend House File 769, as amended, passed, and re-  
2 printed by the House, as follows:

3 1. Page 4, line 14, by inserting after the word  
4 "commission." the following: "Five percent of the  
5 funds allocated to the open spaces account shall be  
6 used to fund the protected waters program."

7 2. Page 4, by striking lines 16 through 24 and  
8 inserting the following: "open space acquisition,  
9 protection, and development programs. The department  
10 shall give priority to acquisition and control of open  
11 spaces of statewide significance. The department  
12 shall also use these funds for developments on state  
13 property. The total cost of an open spaces project  
14 funded under this paragraph shall not exceed two  
15 million dollars unless a public hearing is held on the  
16 project in the area of the state affected by the  
17 project. Political subdivisions of the state".

18 3. Page 4, by striking lines 33 and 34 and  
19 inserting the following: "appropriation was made or  
20 until completion of the project."

21 4. Page 5, line 2, by striking the word "third"  
22 and inserting the word "final".

23 5. Page 8, by striking lines 24 through 31 and  
24 inserting the following: "management account. The  
25 department shall use the moneys allocated to this  
26 account for maintenance and expansion of state lands  
27 and related facilities under its jurisdiction. The  
28 authority to expand state lands and facilities under  
29 this paragraph is limited to expansion of the state  
30 lands and facilities already owned by the state.  
31 There is appropriated from the state land management  
32 account to the department".

33 6. Page 13, by inserting after line 11 the fol-  
34 lowing:

35 "Sec. \_\_\_\_ . NEW SECTION. 15.273 COOPERATIVE  
36 TOURISM PROGRAM.

37 The department shall assist the department of  
38 natural resources in promoting the state parks, state  
39 recreation areas, lakes, rivers, and streams under the  
40 jurisdiction of the natural resource commission for  
41 tourism purposes. The department of natural resources  
42 shall provide the department with brochures and other  
43 printed information concerning hunting and fishing  
44 opportunities, recreational opportunities in state  
45 parks and recreation areas, and other natural and  
46 historic information of interest to tourists.

47 The department shall disseminate the brochures and  
48 other information provided by the department of  
49 natural resources through the welcome centers, sports  
50 and vacation shows, direct information requests, and

Page 2

1 other programs implemented by the department to  
2 promote tourism and related forms of economic  
3 development in this state."

RECEIVED FROM THE SENATE

B-4389 FILED MAY 3, 1989

CONCURRED 5-3-89 (p 2357)

HOUSE FILE 769

AN ACT

CREATING AN IOWA RESOURCES ENHANCEMENT AND PROTECTION FUND,  
PROVIDING FOR THE ALLOCATION OF FUND REVENUE AND MAKING  
APPROPRIATIONS, AUTHORIZING A STATE-SPONSORED CREDIT CARD,  
PROVIDING FOR PROPERLY RELATED MATTERS, SUBJECTING  
VIOLATORS TO PENALTIES, AND PROVIDING AN EFFECTIVE DATE.

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

DIVISION I

IOWA RESOURCES ENHANCEMENT AND PROTECTION

Section 1. Section 455A.1, Code 1989, is amended by adding  
the following new subsections:

NEW SUBSECTION. 5. "Fund" means the Iowa resources  
enhancement and protection fund created under section 455A.18.

NEW SUBSECTION. 6. "Soil conservation division" means the  
soil conservation division of the department of agriculture  
and land stewardship.

DIVISION II

Sec. 2. NEW SECTION. 455A.15 LEGISLATIVE FINDINGS.

The general assembly finds that:

1. The citizens of Iowa have built and sustained their  
society on Iowa's air, soils, waters, and rich diversity of  
life. The well-being and future of Iowa depend on these  
natural resources.

2. Many human activities have endangered Iowa's natural  
resources. The state of Iowa has lost ninety-nine and nine-  
tenths percent of its prairies, ninety-eight percent of its  
wetlands, eighty percent of its woodlands, fifty percent of  
its topsoils, and more than one hundred species of wildlife  
since settlement in the early 1800's. There has been a  
significant deterioration in the quality of Iowa's surface  
waters and groundwaters.

3. The long-term effects of Iowa's natural resource losses  
are not completely known or understood, but detrimental  
effects are already apparent. Prevention of further loss is  
therefore imperative.

4. The air, waters, soils, and biota of Iowa are  
interdependent and form a complex ecosystem. Iowans have the  
right to inherit this ecosystem in a sustainable condition,  
without severe or irreparable damage caused by human  
activities.

Sec. 3. NEW SECTION. 455A.16 STATE RESOURCE ENHANCEMENT  
POLICY.

It is the policy of the state of Iowa to protect its  
natural resource heritage of air, soils, waters, and wildlife  
for the benefit of present and future citizens with the  
establishment of a resource enhancement program. The program  
shall be a long-term integrated effort to wisely use and  
protect Iowa's natural resources through the acquisition and  
management of public lands; the upgrading of public park and  
preserve facilities; environmental education, monitoring, and  
research; and other environmentally sound means. The resource  
enhancement program shall strongly encourage Iowans to develop  
a conservation ethic, and to make necessary changes in our  
activities to develop and preserve a rich and diverse natural  
environment.

Sec. 4. NEW SECTION. 455A.17 IOWA CONGRESS ON RESOURCES  
ENHANCEMENT AND PROTECTION.

1. Biennially, during even-numbered years, the director  
shall schedule and make the necessary arrangements for an Iowa  
congress on resources enhancement and protection. The  
congress shall be held within the state capitol complex during  
the summer months.

2. Prior to each congress, the director shall make  
arrangements to hold an assembly in each council of  
governments area of persons having an interest in resources  
enhancement and protection. The department shall promote  
attendance of interested persons at each assembly. The

director shall call each assembly and serve as temporary chairperson. The department shall provide those attending with information regarding resource enhancement and protection expenditures. The assemblies shall identify opportunities for regional resource enhancement and protection and review and recommend changes in resource enhancement and protection policies, programs, and funding. The persons meeting at each assembly shall elect five persons as delegates to the congress on resources enhancement and protection.

3. The delegates to the congress on resources enhancement and protection shall organize, discuss, and make recommendations to the governor, the general assembly, and the natural resource commission regarding issues concerning resources enhancement and protection. The director shall call the congress and serve as temporary chairperson. The delegates are entitled to a per diem of forty dollars for expenses of office while attending the congress.

4. The expenses of the department in making the arrangements for and the conducting of the council of governments area assemblies and the congress on resources enhancement and protection and the per diem for expenses of the delegates at the congress shall be paid from the funds appropriated for this purpose.

Sec. 5. NEW SECTION. 455A.18 IOWA RESOURCES ENHANCEMENT AND PROTECTION FUND -- AUDITS.

1. An Iowa resources enhancement and protection fund is created in the office of the treasurer of state. The fund consists of all revenues and all other moneys lawfully credited or transferred to the fund. The director shall certify monthly the portions of the fund that are allocated to the various accounts as provided under section 455A.19. The director shall certify before the twentieth of each month the portions of the fund resulting from the previous month's receipts to be allocated to the various accounts.

2. The auditor of state or a certified public accountant firm appointed by the auditor of state shall conduct annual audits of all accounts and transactions of the fund.

3. Notwithstanding section 453.7, interest or earnings on investments or time deposits of the funds in the Iowa resources enhancement and protection fund or any of its accounts shall be credited to the fund.

Sec. 6. NEW SECTION. 455A.19 ALLOCATION OF FUND PROCEEDS.

1. Upon receipt of any revenue, the director shall deposit the moneys in the Iowa resources enhancement and protection fund created pursuant to section 455A.18. The first three hundred fifty thousand dollars of the funds received for deposit in the fund annually shall be allocated to the conservation education board for the purposes specified in section 256.33. One percent of the revenue receipts shall be deducted and transferred to the administration fund provided for in section 107.17. All of the remaining receipts shall be allocated to the following accounts:

a. Twenty-eight percent shall be allocated to the open spaces account. At least ten percent of the allocations to the account shall be made available to match private funds for open space projects on the cost-share basis of not less than twenty-five percent private funds pursuant to the rules adopted by the natural resources commission. Five percent of the funds allocated to the open spaces account shall be used to fund the protected waters program. This account shall be used by the department to implement the statewide open space acquisition, protection, and development programs. The department shall give priority to acquisition and control of open spaces of statewide significance. The department shall also use these funds for developments on state property. The total cost of an open spaces project funded under this paragraph shall not exceed two million dollars unless a public hearing is held on the project in the area of the state affected by the project. Political subdivisions of the state shall be reimbursed for property tax dollars lost to open space acquisitions based on the reimbursement formula provided for in section 111E.4. There is appropriated from the open

spaces account to the department the amount in that account, or so much thereof as is necessary, to carry out the open spaces program as specified in this paragraph. An appropriation made under this paragraph shall continue in force for two fiscal years after the fiscal year in which the appropriation was made or until completion of the project. All unencumbered or unobligated funds remaining at the close of the fiscal year in which the project is completed or at the close of the final fiscal year, whichever date is earlier, shall revert to the open spaces account.

b. Twenty percent shall be allocated to the county conservation account.

(1) Thirty percent of the allocation to the county conservation account annually shall be allocated to each county equally.

(2) Thirty percent of the allocation to the county conservation account annually shall be allocated to each county on a per capita basis.

(3) Forty percent of the allocation to the county conservation account annually shall be held in an account in the state treasury for the natural resource commission to award to counties on a competitive grant basis by a project selection committee established in this subparagraph. Local matching funds are not required for grants awarded under this subparagraph. The project planning and review committee shall be composed of two staff members of the department and two county conservation board directors appointed by the director and a fifth member selected by a majority vote of the director's appointees. The natural resource commission, by rule, shall establish procedures for application, review, and selection of county projects submitted for funding. Upon recommendation of the project planning and review committee, the director shall award the grants.

(4) Funds allocated to the counties under subparagraphs (1), (2), and (3) may be used for land easements or acquisitions, capital improvements, stabilization and

protection of resources, repair and upgrading of facilities, environmental education, and equipment. However, expenditures are not allowed for single or multipurpose athletic fields, baseball or softball diamonds, tennis courts, golf courses, and other group or organized sport facilities. Funds may be used for county projects located within the boundaries of a city.

(5) Funds allocated pursuant to subparagraphs (2) and (3) shall only be allocated to counties dedicating property tax revenue at least equal to twenty-two cents per thousand dollars of the assessed value of taxable property in the county to county conservation purposes. State funds received under this paragraph shall not reduce or replace county tax revenues appropriated for county conservation purposes. The county treasurer shall submit documentation annually of the dedication of property tax revenue for county conservation purposes. The annual audit of the financial transactions and condition of a county shall certify compliance with requirements of this subparagraph. Funds not allocated to counties not qualifying for the allocations under subparagraph (2) as a result of this subparagraph shall be held in reserve for each county for two years. Counties qualifying within two years may receive the funds held in reserve. Funds not spent by a county within two years shall revert to the general pool of county funds for reallocation to other counties where needed.

(6) Each board of supervisors shall create a special resource enhancement account in the office of county treasurer and the county treasurer shall credit all resource enhancement funds received from the state in that account. Notwithstanding section 453.7, all interest earned on funds in the county resource enhancement account shall be credited to that account and used for the purposes authorized for that account.

(7) There is appropriated from the county conservation account to the department the amount in that account, or so

much thereof as is necessary, to fund the provisions of this paragraph. An appropriation made under this paragraph shall continue in force for two fiscal years after the fiscal year in which the appropriation was made or until completion of the project for which the appropriation was made, whichever date is earlier. All unencumbered or unobligated funds remaining at the close of the fiscal year in which a project funded pursuant to subparagraph (3) is completed or at the close of the third fiscal year, whichever date is earlier, shall revert to the county conservation account.

(8) Any funds received by a county under this paragraph may be used to match other state or federal funds, and multicounty or multiagency projects may be funded under this paragraph.

c. Twenty percent shall be allocated to the soil and water enhancement account. The moneys shall be used to carry out soil and water enhancement programs including, but not limited to, reforestation, woodland protection and enhancement, wildlife habitat preservation and enhancement, protection of highly erodible soils, and clean water programs. The division of soil conservation, by rule, shall establish procedures for eligibility, application, review, and selection of projects and practices to implement the requirements of this paragraph. There is appropriated from the soil and water enhancement account to the soil conservation division the amount in that account, or so much thereof as is necessary, to carry out the programs as specified in this paragraph. Remaining funds of the soil and water conservation account shall be allocated to the accounts of the water protection fund authorized in section 467F.4. Annually, fifty percent of the soil and water enhancement account funds, not to exceed one million dollars, shall be allocated to the water quality protection projects account. The balance of the funds shall be allocated to the water protection practices account. An appropriation made under this paragraph shall continue in force for two fiscal years after the fiscal year in which the appropriation was

made or until completion of the project for which the appropriation was made, whichever date is earlier. All unencumbered or unobligated funds remaining at the close of the fiscal year in which the project is completed or at the close of the third fiscal year, whichever date is earlier, shall revert to the soil and water enhancement account.

d. Fifteen percent shall be allocated to a cities' parks and open space account. The moneys allocated in this paragraph may be used to fund competitive grants to cities to acquire, establish, and maintain natural parks, preserves, and open spaces. The grants may include expenditures for multipurpose trails, restroom facilities, shelter houses, and picnic facilities, but expenditures for single or multipurpose athletic fields, baseball or softball diamonds, tennis courts, golf courses, and other group or organized sport facilities requiring specialized equipment are excluded. The grants may be used for city projects located outside of a city's boundaries. The natural resource commission, by rule, shall establish procedures for application, review, and selection of city projects on a competitive basis. The rules shall provide for three categories of cities based on population within which the cities shall compete for grants. There is appropriated from the cities' parks and open space account to the department the amount in that account, or so much thereof as is necessary, to carry out the competitive grant program as provided in this paragraph.

e. Nine percent shall be allocated to the state land management account. The department shall use the moneys allocated to this account for maintenance and expansion of state lands and related facilities under its jurisdiction. The authority to expand state lands and facilities under this paragraph is limited to expansion of the state lands and facilities already owned by the state. There is appropriated from the state land management account to the department the moneys in that account, or so much thereof as is necessary, to implement a maintenance and expansion program for state lands



and related facilities under the jurisdiction of the department.

f. Five percent shall be allocated to the historical resource grant and loan fund established pursuant to section 303.16. The department of cultural affairs shall use the moneys allocated to this fund to implement historical resource development programs as provided under section 303.16.

g. Three percent shall be allocated to the living roadway trust fund established under section 314.21 for the development and implementation of integrated roadside vegetation plans.

2. The moneys appropriated under this section shall remain in the appropriate account of the Iowa resources enhancement and protection fund until such time as the agency, board, commission, or overseer of the fund to which moneys are appropriated has made a request to the treasurer for use of moneys appropriated to it and the amount needed for that use. Notwithstanding section 8.33, moneys remaining of the appropriations made for a fiscal year from any of the accounts within the Iowa resources enhancement and protection fund on June 30 of that fiscal year, shall not revert to any fund but shall remain in that account to be used for the purposes for which they were appropriated and the moneys remaining in that account shall not be considered in making the allotments for the next fiscal year.

Sec. 7. NEW SECTION. 455A.20 COUNTY RESOURCE ENHANCEMENT COMMITTEE.

1. A county resource enhancement committee is created in each county. The membership of the committee shall be as follows:

a. The chairpersons of the board of supervisors, county conservation board, commissioners of the soil and water district, and board of directors of each school district in the county. A chairperson may appoint a member of the chairperson's board or commission as the chairperson's designee on the committee. The chairperson or designee of a

school district shall be a member of the county committee of the county in which a majority or the largest plurality of the district's students reside.

b. The mayor or the mayor's designee of each city in a county. The mayor's designee shall be a member of the city council. If a city is located in more than one county, the membership shall be on the county committee of the county in which the largest population of the city resides.

c. The chairperson or the chairperson's designee of each recognized farm organization having a county organization in the county. The designee shall be a member of the organization represented. The recognized farm organizations are the Iowa farm bureau federation, the Iowa farmers union, the Iowa grange, the national farmers organization, and the Iowa farm unity coalition.

d. The chairperson or the chairperson's designee of each of the following wildlife or conservation organizations having a recognized county organization:

- (1) Iowa Audubon council.
- (2) Iowa sportsmens federation.
- (3) Ducks unlimited.
- (4) Sierra club.
- (5) Pheasants forever.
- (6) The nature conservancy.
- (7) Iowa association of naturalists.
- (8) Izaak Walton league of America.
- (9) Other recognized wildlife, conservation,

environmental, recreation, or conservation education groups. The designee shall be a member of the county chapter or organization in the county.

e. If a question arises as to whether a recognized county organization exists under paragraph "c" or "d", the question shall be decided by a majority vote of the members selected under paragraphs "a" and "b" excluding the representative of the county conservation board.

2. The duties of the county resource enhancement committee are to coordinate the resource enhancement program, plans, and proposed projects developed by cities, county conservation board, and soil and water conservation district commissioners for funding under this division. The county committee shall review and comment upon all projects before they are submitted for funding under section 455A.19. Each county committee shall propose a five-year program plan which includes a one-year proposed expenditure plan and submit it to the department.

3. The initial meeting of the committee shall be called by the chairperson of the board of supervisors. The chairperson shall give written notice of the date, time, and location of the first meeting. The county committee shall meet at least annually to organize by selecting a chairperson, vice chairperson, and other officers as necessary. The committee shall adopt rules governing the conduct of its meetings, subject to chapter 21.

4. The board of supervisors shall provide a meeting room and the necessary secretarial and clerical assistance for the committee. The expenses shall be paid from the county general fund.

5. The members of the committee are not entitled to compensation or expenses related to their duties of office, except as may otherwise be provided by the boards, commissions, or organizations which the members represent.

Sec. 8. NEW SECTION. 12.46 STATE-SPONSORED CREDIT CARD.

1. For purposes of this section, unless the context otherwise requires:

a. "Financial institution" means a state bank as defined in section 524.103, subsection 19, a federally chartered state bank having its principal office within this state, a federally chartered credit union having its principal office within this state, a federally chartered savings and loan association having its principal office within the state, a credit union organized under chapter 533, an association

incorporated or authorized to do business under chapter 534, or a trust company organized or incorporated under the laws of this state.

b. "Financial institution credit card" means a credit card that entitles the holder to make open-account purchases up to an approved amount and is issued through the agency of a financial institution.

c. "Sponsoring entity" means an entity that allows its name or logo to be used on a particular financial institution credit card in exchange for a fee from the credit card issuer.

2. The treasurer is authorized to participate in a financial institution credit card program for the benefit of the state. Within six months of the effective date of this Act, the treasurer shall contact each financial institution to determine if:

a. The financial institution or its Iowa holding company or Iowa affiliate currently administers a credit card program.

b. The credit card program provides a fee or commission on retail sales to the sponsoring entity for the issuance and use of the credit card.

c. The credit card program would accept the state as a sponsoring entity.

If the treasurer determines that the state may be a sponsoring entity for a financial institution credit card, the treasurer shall negotiate the most favorable rate for the state's fee by a credit card issuer. The state shall not offer a more favorable rate to any other credit card issuer. The rate must be expressed as a percentage of the gross sales from the use of the credit card. The proceeds of the fee shall be deposited in the Iowa resources enhancement and protection fund created under section 455A.18. The treasurer shall recommend a logo or design for the state-sponsored credit card indicating the use for which the revenues will be used.

In selecting a credit card issuer, the treasurer shall consider the issuer's record of investments in the state,

shall take into consideration credit card features which will enhance the promotion of the state-sponsored credit card including, but not limited to, favorable interest rates, annual fees, and other fees for using the card, and shall require that the card be available to any person who qualifies for a credit card. Upon entering into an agreement with the financial institution, the treasurer shall notify all state agencies then possessing a credit card to obtain the new state-sponsored credit card. The financial institution is authorized to solicit participation from state employees.

Sec. 9. NEW SECTION. 15.273 COOPERATIVE TOURISM PROGRAM.

The department shall assist the department of natural resources in promoting the state parks, state recreation areas, lakes, rivers, and streams under the jurisdiction of the natural resource commission for tourism purposes. The department of natural resources shall provide the department with brochures and other printed information concerning hunting and fishing opportunities, recreational opportunities in state parks and recreation areas, and other natural and historic information of interest to tourists.

The department shall disseminate the brochures and other information provided by the department of natural resources through the welcome centers, sports and vacation shows, direct information requests, and other programs implemented by the department to promote tourism and related forms of economic development in this state.

Sec. 10. NEW SECTION. 111A.12 IOWA'S COUNTY BEAUTIFICATION PROGRAM.

1. A county conservation board may establish an Iowa's county beautification program to encourage the prevention and cleanup of litter in public areas of the county. The county conservation director shall prepare and implement the program which is designed to employ persons from fourteen years of age to eighteen years of age in a six-week summer program. The program may include public informational activities, but shall be directed primarily toward encouraging and facilitating

involvement in litter prevention and cleanup. The program shall also include weekly instruction on safety in the workplace while employed with an Iowa's county beautification program. Financial assistance for an Iowa's county beautification program may be received through the county conservation account pursuant to section 455A.19. County matching funds shall not be required for eligibility for funding an Iowa's county beautification program.

2. A county conservation board shall coordinate its Iowa's county beautification program with the county engineer or director of the county secondary road department and with the district highway engineer of the state department of transportation. The respective county and state highway authorities, within time and budgetary limitations, shall cooperate with the county conservation board in implementing the litter program in regard to the rights-of-way of primary and secondary roads when requested by the county conservation board.

Sec. 11. NEW SECTION. 256.33 CONSERVATION EDUCATION PROGRAM BOARD.

1. A conservation education program board is created in the department. The board shall have three members appointed as follows:

- a. One member appointed by the director of the department of education.
- b. One member appointed by the director of the department of natural resources.
- c. One member appointed by the president of the Iowa association of county conservation boards.

2. The duties of the board are to revise and produce conservation education materials and to specify stipends to Iowa educators who participate in innovative conservation education programs approved by the board. The board shall allocate the funds provided for under section 455A.19, subsection 1, for the educational materials and stipends.

3. The department shall administer the funds allocated to the conservation education program as provided in this section.

Sec. 12. Section 303.16, subsection 7, Code 1989, is amended to read as follows:

7. The department may use ~~twenty-five-thousand-dollars~~ ten percent of the amount appropriated to the department, but in no event more than seventy-five thousand dollars for administration of the grant and loan program.

Sec. 13. Section 303.16, subsection 8, paragraph a, Code 1989, is amended to read as follows:

a. The department may establish a historical resource ~~revolving grant and~~ loan fund composed of any money appropriated by the general assembly for that purpose, funds allocated pursuant to section 455A.19, and of any other moneys available to and obtained or accepted by the department from the federal government or private sources for placement in that fund. Each loan made under this section shall be for a period not to exceed ten years, shall bear interest at a rate determined by the state historical board, and shall be repayable to the revolving loan fund in equal yearly installments due March 1 of each year the loan is in effect. The interest rate upon loans for which payment is delinquent shall accelerate immediately to the current legal usury limit. Applicants shall be eligible for no more than twenty-five one hundred thousand dollars in loans outstanding at any time under this program.

Sec. 14. Section 303.16, subsection 8, paragraph b, subparagraph (2), Code 1989, is amended to read as follows:

(2) Authorize payment from the ~~revolving historical resource grant and~~ loan fund, from fees and from any income received by investments of money in the fund for costs, commissions, attorney fees and other reasonable expenses related to and necessary for making and protecting direct loans under this section, and for the recovery of moneys loaned or the management of property acquired in connection with such loans.

Sec. 15. Section 422.69, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The director shall estimate the amount of state corporate income tax revenues collected as a result of the United States supreme court decision holding that the federal windfall profits tax is not a federal income tax and shall deposit a like amount in the Iowa resources enhancement and protection fund created under section 455A.18.

Sec. 16. Section 467F.4, unnumbered paragraph 1 and subsection 2, Code 1989, are amended to read as follows:

A water protection fund is created within the division. The fund is composed of money appropriated by the general assembly for that purpose, and moneys available to and obtained or accepted by the state soil conservation committee from the United States or private sources for placement in the fund. The fund shall be divided into two accounts, the water quality protection account and the water protection practices account. The first account shall be used to carry out water quality protection projects to protect the state's surface and groundwater from point and nonpoint sources of contamination. The second account shall be used to establish water protection practices with individual landowners including but not limited to woodland establishment and protection, establishment of native grasses and forbs, sinkhole management, ag drainage well management, streambank stabilization, grass waterway establishment, stream buffer strip establishment, and erosion control structure construction. Twenty-five percent of funds appropriated to the water protection practices account shall be used for woodland establishment and protection, and establishment of native grasses and forbs. Soil and water conservation district commissioners shall give priority to applications for practices that implement their soil and water resource conservation plan. The fund shall be a revolving ~~loan~~ fund from which moneys may be used for loans, grants, administrative costs, and cost-sharing.

2. Authorize payment from the water protection fund, from fees and from any income received by investments of money in the fund for costs, commissions, attorney-fees, and other reasonable expenses ~~related-to-and-necessary-for-making-and-protecting-direct-loans-under-this-section,-and-for-the-recovery-of-moneys-loaned-or-the-management-of-property-acquired-in-connection-with-the-loans.~~

Sec. 17. Section 15 of this Act applies to state corporate income taxes collected on or after the effective date of this Act.

Sec. 18. This Act, being deemed of immediate importance, takes effect upon enactment.

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DONALD D. AVENSON  
Speaker of the House

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JO ANN ZIMMERMAN  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 769, Seventy-third General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved May 27, 1989

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TERRY E. BRANSTAD  
Governor