

MAR 7 1986
APPROPRIATIONS

HOUSE FILE 233
BY VANDE HOEF, GRIES, MUNDIE,
and CORMACK

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act creating a wind energy loan fund for schools and community
2 colleges and making an appropriation.

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

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1 Section 1. Section 99F.11, Code 1995, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 3A. Two million dollars of the adjusted
4 gross receipts shall be deposited annually in the wind energy
5 loan fund created in section 473.45.

6 Sec. 2. NEW SECTION. 473.45 WIND ENERGY LOAN PROGRAM --
7 FUND.

8 1. The department shall establish a wind energy loan
9 program. The purpose of the program shall be to assist school
10 districts and community colleges to purchase and install wind
11 energy conversion systems to convert the kinetic energy of the
12 wind to electricity to supply all or a portion of the
13 electricity needs of the school district or community college.
14 For purposes of this section, "wind energy conversion system"
15 includes a rotor, tower, drivetrain, generator, and control
16 system.

17 2. A wind energy loan fund is established in the office of
18 the treasurer of the state to be administered by the
19 department. An annual appropriation from the adjusted gross
20 receipts from gambling games under section 99F.11 in the
21 amount of two million dollars shall be deposited in the wind
22 energy loan fund. The fund shall consist of all other
23 appropriations, grants, or gifts received by the department
24 specifically for use under this section and all repayments of
25 loans made under this section. Notwithstanding section 8.33,
26 moneys in the fund at the end of a fiscal year shall not
27 revert to any other fund but shall remain in the revolving
28 fund.

29 3. To be eligible for a wind energy loan under this
30 section, a school district or community college shall provide
31 all of the following:

32 a. A wind assessment study indicating that the energy cost
33 savings from the installation of a wind energy conversion
34 system would be greater than the costs of implementation of a
35 wind energy conversion system.

1 b. An assurance that the school district or community
2 college will provide a ten percent downpayment of the overall
3 costs to install the wind energy conversion system.

4 c. A copy of a written agreement indicating that the
5 school district or community college has obtained local
6 financing for thirty percent of the overall costs to install
7 the wind energy conversion system.

8 4. The department may make loans to school districts and
9 community colleges in an amount which is equivalent to sixty
10 percent of the overall costs to install the wind energy
11 conversion system. The interest rate for loans issued under
12 this section shall be no greater than five percent. The
13 department may enter into financing agreements with the school
14 district or community college in order to provide the
15 financing to pay the costs of furnishing the wind energy loans
16 as provided in this section. The financing agreement may
17 contain provisions, including terms and obligations to make
18 payments on the financing agreement beyond the current budget
19 year, as may be agreed upon between the department and the
20 school district or community college.

21 5. School districts and community colleges may enter into
22 financing arrangements with the department or its duly
23 authorized agents or representatives obligating the school
24 district or community college to make payments on the loans
25 beyond the current budget year of the school district or
26 community college. Chapter 75 shall not be applicable.
27 School districts shall repay the loans from moneys in either
28 their general fund or debt service fund. Community colleges
29 shall repay the loans from their general fund.

30 EXPLANATION

31 This bill authorizes the department of natural resources to
32 establish a wind energy loan program. It creates the wind
33 energy loan fund to be administered by the department and
34 appropriates \$2,000,000 of the adjusted gross receipts from
35 gambling games under section 99F.11 to be deposited annually

1 in the wind energy loan fund. The purpose of the program is
2 to assist school districts and community colleges to purchase
3 and install wind energy conversion systems to convert the
4 kinetic energy of the wind to electricity to supply all or a
5 portion of the electricity needs of the school district or
6 community college.

7 To be eligible for a wind energy loan, a school district or
8 community college must provide a wind assessment study
9 indicating that the energy cost savings from the installation
10 of a wind energy conversion system would be greater than the
11 costs of implementation, an assurance that the school district
12 or community college will provide a 10 percent downpayment of
13 the overall costs to install the wind energy conversion
14 system, and a copy of a written agreement indicating that the
15 school district or community college has obtained local
16 financing for 30 percent of the overall costs to install the
17 wind energy conversion system.

18 The department may make loans to school districts and
19 community colleges in an amount which is equivalent to 60
20 percent of the overall costs to install the wind energy
21 conversion system. The interest rate for loans is to be no
22 greater than 5 percent. The bill authorizes the department
23 and a school district and community college to enter into
24 financing agreements providing for repayment and terms of the
25 wind energy loans.

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