

SENATE FILE 2421
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 2208)

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

A BILL FOR

1 An Act relating to the joint financing of public works and
2 facilities.

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

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S.F. 2421

1 Section 1. Section 28F.1, unnumbered paragraph 1, Code
2 1995, is amended by striking the unnumbered paragraph and
3 inserting in lieu thereof the following:

4 This chapter provides a means to reduce the cost of local
5 government by assisting public agencies in the undertaking of
6 joint financing and is intended to provide specific state
7 legislation consistent with criteria established by
8 regulations and rulings of the commissioner of internal
9 revenue, United States department of treasury, in order for a
10 separate joint financing entity to be treated as a constituted
11 authority empowered to issue obligations on behalf of
12 political subdivisions of this state. This chapter provides a
13 means for the joint financing by public agencies of works or
14 facilities which are part of any city enterprise as defined in
15 section 384.24, county enterprise as defined in section
16 331.461, city utility as defined in section 362.2, joint water
17 utility as defined in section 389.1, or sanitary district as
18 defined in chapter 358. This chapter applies to the
19 acquisition, construction, reconstruction, ownership,
20 operation, repair, extension, or improvement of the works or
21 facilities, by a separate administrative or legal entity
22 created pursuant to chapter 28E or chapter 389. When the
23 legal entity created under this chapter is comprised solely of
24 cities, counties, or sanitary districts established under
25 chapter 358 or any combination of these political
26 subdivisions, or any combination of the public agencies
27 previously specified in this section with other public
28 agencies, the entity shall be both a corporation and a
29 political subdivision with the name under which it was
30 organized. The legal entity may sue and be sued, contract,
31 acquire and hold real and personal property necessary for
32 corporate purposes, adopt a corporate seal and alter the seal
33 at pleasure, and execute all powers conferred by this chapter.
34 Sec. 2. Section 28F.2, Code 1995, is amended to read as
35 follows:

1 28F.2 DEFINITIONS.

2 The terms "public agency", "state", and "private agency"
3 shall have the meanings prescribed by section 28E.2. The term
4 "project" or "projects" shall mean any works or facilities
5 referred to in section 28F.1 and shall include all property
6 real and personal, pertinent thereto or connected with such
7 project or projects, and the existing works or facilities, if
8 any, to which such project or projects are an extension,
9 addition, betterment, or improvement. ~~"Electric-power-agency"~~
10 ~~means-an-entity-financing-or-acquiring-electric-power~~
11 ~~facilities-pursuant-to-this-chapter-or-chapter-28E-~~

12 Sec. 3. Section 28F.7, unnumbered paragraph 2, Code 1995,
13 is amended by striking the paragraph.

14 EXPLANATION

15 This bill provides that specified public agencies and
16 political subdivisions of this state which separately have the
17 authority to undertake certain public works, as specified in
18 the bill, may join other public agencies or political
19 subdivisions to carry out those projects jointly and fund the
20 projects or facilities through a separate joint financing
21 entity acting on behalf of the political subdivisions. The
22 separate funding entities created under this chapter are to
23 meet the regulations and rulings of the commissioner of
24 internal revenue.

25 The bill also strikes a definition of electric power agency
26 which is no longer needed and a requirement that a power
27 facility operating under chapter 28F meet standards of the
28 national electric safety code of 1968, as amended.

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SENATE FILE 2421

S-5423

- 1 Amend Senate File 2421 as follows:
2 1. Page 2, by inserting after line 13 the
3 following:
4 "Sec. _____. NEW SECTION. 476.1E APPLICABILITY OF
5 AUTHORITY -- ELECTRIC POWER AGENCIES.
6 1. Unless otherwise specifically provided statute,
7 an electric power agency as defined in section 28F.2,
8 is not subject to regulation by the board under this
9 chapter, except for regulatory action pertaining to
10 the following:
11 a. Safety standards.
12 b. Encouragement of alternate energy production
13 facilities, as set forth in sections 476.41 through
14 476.45.
15 c. Enforcement of section 476.66.
16 d. Assessment of fees for the support of the Iowa
17 energy center created in section 266.39C and the
18 center for global and environmental research created
19 by the state board of regents.
20 e. Filing energy efficiency plans and energy
21 efficiency results with the board. The board may
22 permit these utilities to file joint plans.
23 2. The board may waive all or part of the energy
24 efficiency filing and review requirements for electric
25 power agencies which demonstrate superior results with
26 existing energy efficiency programs."
27 2. By renumbering as necessary.

By BRAD BANKS

S-5423 FILED MARCH 19, 1996

SENATE FILE 2421

S-5384

1 Amend Senate File 2421 as follows:
2 1. Page 2, by inserting before line.12 the
3 following:
4 "Sec. _____. Section 28E.5, Code 1995, is amended by
5 adding the following new unnumbered paragraph:
6 NEW UNNUMBERED PARAGRAPH. If the agreement
7 establishes an entity whose purposes include issuing
8 revenue bonds under chapter 28F for financing electric
9 power facilities, the agreement shall specify that
10 each public agency subscribing to the agreement is
11 entitled to at least one full-voting member on the
12 governing body of the entity."

By O. GENE MADDOX

S-5384 FILED MARCH 18, 1996

SENATE FILE 2421

S-5370

1 Amend Senate File 2421 as follows:
2 1. Page 1, by inserting after line 33 the
3 following:
4 "Sec. _____. Section 28F.1, Code 1995, is amended by
5 adding the following new unnumbered paragraph:
6 NEW UNNUMBERED PARAGRAPH. A member city of an
7 entity created under this chapter for the purpose of
8 financing electric facilities may withdraw from
9 membership in the entity upon sixty days' notice to
10 the entity of appropriate action by the city council.
11 If the member city has outstanding obligations to the
12 entity, the member city shall provide for the
13 assumption of the outstanding obligations by another
14 municipal utility or shall otherwise provide for the
15 payment of its outstanding obligations to the entity."
16 2. By renumbering as necessary.

By EUGENE FRAISE

S-5370 FILED MARCH 18, 1996

Fink
Sorensen
Zieman

SSB-2208
Local Government

Succeeded By

SENATE FILE SF/HF 2421

BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL
BY CHAIRPERSON SORENSEN)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

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1 Section 1. Section 28F.1, Code 1995, is amended by
2 striking the section and inserting in lieu thereof the
3 following:

4 28F.1 SCOPE OF CHAPTER.

5 This chapter provides a means to reduce the cost of local
6 government by assisting public agencies in the undertaking of
7 joint financing and is intended to provide specific state
8 legislation consistent with criteria established by
9 regulations and rulings of the commissioner of internal
10 revenue, United States department of treasury, in order for a
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