

FEB 3 1998
APPROPRIATIONS

HOUSE FILE 2128
BY LARSON

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

A BILL FOR

1 An Act establishing an Iowa lakes restoration fund, providing for
2 the expenditure of moneys from the fund, and providing an
3 appropriation.

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

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HF 2128

1 Section 1. NEW SECTION. 455A.31 IOWA LAKES RESTORATION
2 FUND.

3 1. An Iowa lakes restoration fund is created in the state
4 treasury under the control of the department. The fund is
5 composed of moneys appropriated by the general assembly and
6 moneys available to and obtained or accepted by the department
7 from the United States or private sources for placement in the
8 fund.

9 2. Moneys in the fund are subject to an annual audit by
10 the auditor of state. The fund is subject to warrants written
11 by the director of revenue and finance, drawn upon the written
12 requisition of the director or a person authorized by the
13 director.

14 3. The department may adopt rules pursuant to chapter 17A
15 to administer this section.

16 4. The department shall not in any manner, directly or
17 indirectly, pledge the credit of the state.

18 5. Section 8.33 shall not apply to moneys in the fund.
19 Notwithstanding section 12C.7, moneys earned as income,
20 including as interest, from the fund shall remain in the fund
21 until expended as provided in this section.

22 6. To the extent that moneys are available in the fund,
23 the department shall provide assistance to qualified
24 applicants for purposes of financing capital improvements to
25 natural or constructed lakes including but not limited to
26 dredging, installation or repair of erosion control measures,
27 and land acquisition. In order to qualify for assistance, an
28 applicant must be a governmental body or nonprofit
29 organization based in the community where the lake is located,
30 be active in sponsoring improvements to the lake, and be
31 capable of managing or overseeing the project. Assistance
32 shall not be awarded to construct a new lake. The department
33 shall not allocate more than seven hundred fifty thousand
34 dollars from the fund to support any one project. In order to
35 qualify for assistance, an applicant must demonstrate that

1 existing or planned infrastructure and practices are capable
2 of preserving the improvements. In order to receive
3 assistance, an applicant must show that each dollar allocated
4 from the fund will be matched by one dollar contributed by a
5 source other than the state, as provided in the application
6 for assistance. Assistance shall be provided to qualified
7 applicants based on the order in which the department receives
8 the applications.

9 Sec. 2. APPROPRIATION. There is appropriated from the
10 rebuild Iowa infrastructure fund created pursuant to section
11 8.57 to the department of natural resources for the fiscal
12 year beginning July 1, 1998, and ending June 30, 1999, the
13 following amount, or so much thereof as is necessary, to be
14 used for the purpose designated:

15 For deposit in the Iowa lakes restoration fund created
16 pursuant to section 455A.31 be expended as provided in that
17 section:

18 \$ 10,000,000

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EXPLANATION

20 This bill establishes an Iowa lakes restoration fund. The
21 purpose of the fund is to finance capital improvements to
22 natural or constructed lakes. According to the bill, an
23 applicant must be a governmental body or nonprofit
24 organization based in the community where the lake is located,
25 be active in sponsoring improvements to the lake, and be
26 capable of managing or overseeing the project. Assistance
27 cannot be awarded under the fund to construct a new lake. In
28 order to qualify for assistance, an applicant must demonstrate
29 that the applicant's existing or planned infrastructure and
30 practices are capable of preserving project improvements.
31 According to the bill, each dollar allocated from the fund to
32 finance a project must be matched by \$1 contributed by a
33 source other than the state. The department cannot allocate
34 more than \$750,000 from the fund to finance any one project.
35 The bill appropriates \$10,000,000 from the rebuild Iowa

1 infrastructure fund to the department of natural resources for
2 the fiscal year beginning July 1, 1998, for purposes of
3 supporting the fund.

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6 **HOUSE FILE 2128**
7 **FISCAL NOTE**

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9 A fiscal note for House File 2128 is hereby submitted pursuant to Joint Rule
10 17. Data used in developing this fiscal note is available from the Legislative
Fiscal Bureau to members of the Legislature upon request.

11
12 House File 2128 establishes the Iowa Lake Restoration Program. The purpose of
the program is to finance capital improvements to natural or constructed lakes.

13 **BACKGROUND**

14 The implementation of this program allows governmental bodies or nonprofit
15 organizations the opportunity to participate in a cost share program where each
16 group can receive up to \$750,000 for a lake restoration project. The borrower
17 must demonstrate the ability to maintain all capital improvements and have the
ability to match each grant dollar with a dollar from another source.

18 **ASSUMPTIONS**

19 The bill appropriates \$10.0 million from the Rebuild Iowa Infrastructure Fund
20 to the Department of Natural Resources for the support of this program.

21 **FISCAL IMPACT**

22 The fiscal impact of HF 2128, is the transfer of the \$10.0 million to the
23 Department of Natural Resources. Other expenditures include the hiring of two
24 FTEs with an estimated cost of \$60,000 to \$80,000 which is not addressed. One
FTE would provide grant application assistance and the other would provide
technical support for the project.

25 **SOURCE**

26 Department of Natural Resources

(LSB 3400hh, DFK)

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29 FILED FEBRUARY 4, 1998

BY DENNIS PROUTY, FISCAL DIRECTOR