

House File 2411 - Introduced

HOUSE FILE 2411
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HF 2151)

A BILL FOR

1 An Act modifying provisions applicable to the formation and
2 operation of electric power agencies.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 12C.1, subsection 1, Code 2009, is
2 amended to read as follows:

3 1. All funds held by the following officers or institutions
4 shall be deposited in one or more depositories first approved
5 by the appropriate governing body as indicated: for the
6 treasurer of state, by the executive council; for judicial
7 officers and court employees, by the supreme court; for the
8 county treasurer, recorder, auditor, and sheriff, by the board
9 of supervisors; for the city treasurer or other designated
10 financial officer of a city, by the city council; for the
11 county public hospital or merged area hospital, by the board
12 of hospital trustees; for a memorial hospital, by the memorial
13 hospital commission; for a school corporation, by the board
14 of school directors; for a city utility or combined utility
15 system established under chapter 388, by the utility board; for
16 a library service area established under chapter 256, by the
17 library service area board of trustees; and for an electric
18 power agency as defined in section 28F.2 or ~~476A.20~~ 390.9, by
19 the governing body of the electric power agency. However,
20 the treasurer of state and the treasurer of each political
21 subdivision or the designated financial officer of a city shall
22 invest all funds not needed for current operating expenses in
23 time certificates of deposit in approved depositories pursuant
24 to this chapter or in investments permitted by section 12B.10.
25 The list of public depositories and the amounts severally
26 deposited in the depositories are matters of public record.
27 This subsection does not limit the definition of "public funds"
28 contained in subsection 2. Notwithstanding provisions of this
29 section to the contrary, public funds of a state government
30 deferred compensation plan established by the executive council
31 may also be invested in the investment products authorized
32 under section 509A.12.

33 Sec. 2. Section 12C.1, subsection 2, paragraph e,
34 subparagraph (4), Code 2009, is amended to read as follows:

35 (4) The moneys of an electric power agency as defined in

1 section 28F.2 or ~~476A.20~~ 390.9.

2 Sec. 3. Section 28F.1, unnumbered paragraphs 3 and 4, Code
3 2009, are amended by striking the unnumbered paragraphs.

4 Sec. 4. Section 28F.2, subsection 1, Code 2009, is amended
5 to read as follows:

6 1. "*Electric power agency*" means an entity financing or
7 acquiring electric power facilities pursuant to this chapter
8 or chapter 28E or ~~476A~~.

9 Sec. 5. NEW SECTION. 390.9 Definitions.

10 For purposes of this subchapter, unless the context
11 otherwise requires:

12 1. "*Electric power agency*" means an entity financing or
13 acquiring an electric power facility pursuant to this chapter,
14 chapter 28E, or chapter 28F. An electric power agency may
15 be organized as a nonprofit corporation, limited liability
16 company, or as a separate administrative or legal entity
17 pursuant to chapter 28E. When the electric power agency is
18 comprised solely of cities or solely of cities and other
19 political subdivisions, the electric power agency shall be a
20 political subdivision of the state with the name under which it
21 was organized, and shall have all the powers of a city or city
22 utility under this chapter.

23 2. "*Facility*", "*joint facility*", "*electric power facility*",
24 or "*project*" means an electric power generating plant, or
25 transmission line or system, including a joint facility as
26 defined in section 390.1, subsection 7.

27 3. "*Public bond or obligation*" means an obligation as
28 defined in section 76.14.

29 Sec. 6. Section 476.1B, subsection 1, paragraph m, Code
30 2009, is amended to read as follows:

31 *m.* An electric power agency as defined in ~~chapters~~
32 chapter 28F and 476A section 390.9 that includes as a member
33 a city or municipally owned utility that builds transmission
34 facilities after July 1, 2001, is subject to applicable
35 transmission reliability rules or standards adopted by the

1 board for those facilities.

2 Sec. 7. REPEAL. Section 476A.20, Code 2009, is repealed.

3 Sec. 8. CODE EDITOR'S DIRECTIVE. Section 476A.21 shall be
4 transferred to new section 390.10.

5 Sec. 9. CODE EDITOR'S DIRECTIVE. Section 476A.22 shall be
6 transferred to new section 390.11.

7 Sec. 10. CODE EDITOR'S DIRECTIVE. Section 476A.23 shall be
8 transferred to new section 390.12.

9 Sec. 11. CODE EDITOR'S DIRECTIVE. Section 476A.24 shall be
10 transferred to new section 390.13.

11 Sec. 12. CODE EDITOR'S DIRECTIVE. Section 476A.25 shall be
12 transferred to new section 390.14.

13 Sec. 13. CODE EDITOR'S DIRECTIVE. Section 476A.26 shall be
14 transferred to new section 390.15.

15 Sec. 14. CODE EDITOR'S DIRECTIVE. Section 476A.27 shall be
16 transferred to new section 390.16.

17 Sec. 15. CODE EDITOR'S DIRECTIVE. Section 476A.28 shall be
18 transferred to new section 390.17.

19 Sec. 16. CODE EDITOR'S DIRECTIVE. Section 476A.29 shall be
20 transferred to new section 390.18.

21 Sec. 17. CODE EDITOR'S DIRECTIVE. Section 476A.30 shall be
22 transferred to new section 390.19.

23 Sec. 18. CODE EDITOR'S DIRECTIVE. Section 476A.31 shall be
24 transferred to new section 390.20.

25 Sec. 19. CODE EDITOR'S DIRECTIVE. Section 476A.32 shall be
26 transferred to new section 390.21.

27 Sec. 20. CODE EDITOR'S DIRECTIVE. Section 476A.33 shall be
28 transferred to new section 390.22.

29 Sec. 21. CODE EDITOR'S DIRECTIVE. Section 476A.34 shall be
30 transferred to new section 390.23.

31 Sec. 22. CODE EDITOR'S DIRECTIVE. Section 476A.35 shall be
32 transferred to new section 390.24.

33 Sec. 23. CODE EDITOR'S DIRECTIVE. Section 476A.36 shall be
34 transferred to new section 390.25.

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EXPLANATION

1 This bill modifies provisions applicable to the formation
2 and operation of electric power agencies. Such agencies are
3 currently authorized pursuant to Code chapters 28F and 476A,
4 subchapter II, to enter into joint agreements with other
5 agencies or entities for the financing, acquisition, and
6 operation of projects for the generation and transmission of
7 electric energy.

8 The bill deletes provisions currently contained in Code
9 chapter 28F requiring voter approval for a city to join another
10 entity to finance electric power facilities and prohibiting
11 submission of the same or similar proposal to the voters sooner
12 than one year from the date of the election at which the
13 proposal was defeated.

14 The bill transfers several Code sections which currently
15 constitute Code chapter 476A, subchapter II, to a new
16 subchapter in Code section 390, which relates to joint
17 electrical utilities. The bill expands the definition of
18 "facility", as transferred to the new Code subchapter in Code
19 section 390.9, to refer to a joint facility, electric power
20 facility, or project, and to include a joint facility as
21 defined in Code section 390.1, subsection 7. That definition
22 refers to all property necessary or useful for generating,
23 purchasing, obtaining by exchange or otherwise acquiring, or
24 transmitting electric power and energy, which is owned and
25 operated pursuant to a joint agreement.

26 Additionally, the bill provides that an electric power
27 agency may be organized under Code chapter 390 as a nonprofit
28 corporation, limited liability company, or as a separate
29 administrative or legal entity pursuant to Code chapter 28E.
30 When the electric power agency is comprised solely of cities
31 or solely of cities and other political subdivisions, the bill
32 specifies that the electric power agency shall be a political
33 subdivision of the state of Iowa for purposes of exercising the
34 powers conferred in Code chapter 390.

35 The bill makes conforming changes consistent with the

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1 transfer from Code chapter 476A to Code chapter 390.