## Senate File 471 - Introduced

	SENATE FILEBY COMMITTEE ON APPROPRIATIONS
	(SUCCESSOR TO SF 373) (SUCCESSOR TO SSB 1262)
Passed Senate, Date Nays Nays	Passed House, Date Nays
	A BILL FOR

1 An Act relating to the operation and purview of the office of energy independence, by transferring authority over specified energy=related measures and programs from the department of natural resources to the office of energy independence, and 5 providing transition provisions relating to the transfer of 6 authority.

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

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Section 1. Section 7D.34, subsection 2, paragraphs b and 2 c, Code 2009, are amended to read as follows:
             Before a state agency seeks approval of the executive
         b.
  4 council for leasing real or personal properties or facilities
   5 for use as or in connection with any energy conservation 6 measure, the state agency shall have a comprehensive 7 engineering analysis done on a building in which it seeks to
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   8 improve the energy efficiency by an engineering firm approved
   9 by the department of natural resources office of energy
     independence through a competitive selection process and the
1 11 engineering firm is subject to approval of the executive
1 12 council. Provisions of this section shall only apply to
1 13 energy conservation measures identified in the comprehensive
1 14 engineering analysis.
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         c. Before the executive council gives its approval for a
  16 state agency to lease real and personal properties or
1 17 facilities for use as or in connection with any energy
1 18 conservation measure, the executive council shall in 1 19 conjunction with the department of natural resources office of
  20 energy independence and after review of the engineering
1 21 analysis submitted by the state agency make a determination
1 22 that the properties or facilities will result in energy cost
1 23 savings to the state in an amount that results in the state
1 24 recovering the cost of the properties or facilities within six
1 25 years after the initial acquisition of the properties or
  26 facilities.
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         Sec. 2.
                   Section 7D.35, Code 2009, is amended to read as
1 28 follows:
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         7D.35 DISPUTE RESOLUTION.
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         The executive council shall resolve any disputes
1 31 transmitted to it by the department of natural resources
1 32 office of energy independence, the state building code
  33 commissioner, or both, arising under section 470.7.
34 Sec. 3. Section 7E.5, subsection 1, paragraph q, Code
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  35 2009, is amended to read as follows:
     q. The department of natural resources, created in section 455A.2, which has primary responsibility for state parks and
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   3 forests, protecting the environment, and managing energy,
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   4 fish, wildlife, and land and water resources.
         Sec. 4. Section 8A.362, subsection 4, paragraph c, Code
     2009, is amended to read as follows:
         c. Not later than June 15 of each year, the director shall
   8 report compliance with the corporate average fuel economy
   9 standards published by the United States secretary of
2 10 transportation for new motor vehicles, other than motor
2 11 vehicles purchased by the state department of transportation,
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2 12 institutions under the control of the state board of regents, 2 13 the department for the blind, and any other state agency 2 14 exempted from the requirements of this subsection. The report 2 15 of compliance shall classify the vehicles purchased for the 2 16 current vehicle model year using the following categories: 2 17 passenger automobiles, enforcement automobiles, vans, and 18 light trucks. The director shall deliver a copy of the report 2 19 to the department of natural resources office of energy 20 independence. As used in this paragraph, "corporate average 21 fuel economy" means the corporate average fuel economy as 2 22 defined in 49 C.F.R. } 533.5. 2 23 Sec. 5. Section 72.5, subsection 2, Code 2009, is amended 2 24 to read as follows: 2.5 2. The director of the department of natural resources 26 office of energy independence in consultation with the 2 27 department of management, state building code commissioner, 28 and state fire marshal, shall develop standards and methods to 29 evaluate design development documents and construction 30 documents based upon life cycle cost factors to facilitate 31 fair and uniform comparisons between design proposals and 32 informed decision making by public bodies. 33 Sec. 6. Section 103A.8, subsection 7, Code 2009, is 33 34 amended to read as follows: 35 7. Limit the application of thermal efficiency standards 3 for energy conservation to construction of buildings which are 2 heated or cooled. Air exchange fans designed to provide 3 3 ventilation shall not be considered a cooling system. The 3 4 commissioner shall exempt any construction from any thermal 5 efficiency standard for energy conservation if the 6 commissioner determines that the standard is unreasonable as 7 it would apply to a particular building or class of buildings. 8 No standard adopted by the commissioner for energy 9 conservation in construction shall be interpreted to require 10 the replacement or modification of any existing equipment or 11 feature solely to ensure compliance with requirements for 3 12 energy conservation in construction. Lighting efficiency 13 standards shall recognize variations in lighting intensities 3 14 required for the various tasks performed within the building. 3 15 The commissioner shall consult with the department of natural 16 resources office of energy independence regarding standards 3 17 for energy conservation prior to the adoption of the 3 18 standards. However, the standards shall be consistent with 3 19 section 103A.8A. Sec. 7. Section 103A.27, subsection 4, Code 2009, is 3 20 3 21 amended to read as follows: 4. The commission shall be formed for the two=year period 3 23 beginning July 1, 2008, and ending June 30, 2010, and shall 24 submit a report to the governor and the general assembly by 3 25 January 1, 2011, regarding its activities and recommendations. 3 26 Administrative support shall be furnished by the department of 27 public safety, with the assistance of the office of energy 28 independence and the department of natural resources. Sec. 8. Section 159A.3, subsection 4, Code 2009, is 30 amended to read as follows: The office and state entities, including the 3 32 department, the committee, the Iowa department of economic 3 33 development, the state department of transportation, the 34 department of natural resources office of energy independence, 35 and the state board of regents institutions, shall cooperate to implement this section. 4 Sec. 9. Section 159A.4, subsection 1, paragraph d, Code 4 2009, is amended to read as follows: d. The director of the department of natural resources 4 5 office of energy independence, or a person designated by the director, representing the department of natural resources office of energy independence. 4 4 4 8 Sec. 10. Section 159A.4, subsection 1, unnumbered 4 9 paragraph 2, Code 2009, is amended to read as follows: 4 10 The governor shall appoint persons who shall be confirmed 4 11 by the senate, pursuant to section 2.32, to serve as voting 4 12 members of the committee. However, the secretary of
4 13 agriculture shall appoint the person representing the
4 14 department of agriculture and land stewardship, the director 4 15 of the Iowa department of economic development shall appoint 4 16 the person representing that department, the director of the 4 17 state department of transportation shall appoint the person 4 18 representing that department, and the director of the 19 department of natural resources office of energy independence 4 20 shall appoint the person representing that department the office. The governor may make appointments of persons 4 22 representing organizations listed under paragraphs "g" through

4 23 "i" from a list of candidates which shall be provided by the 4 24 organization upon request by the governor. Sec. 11. Section 159A.6B, unnumbered paragraph 2, Code 4 26 2009, is amended to read as follows: The office may execute contracts in order to provide 4 28 technical support and outreach services for purposes of 29 assisting and educating interested persons as provided in this 30 section. The office may also contract with a consultant to 4 31 provide part or all of these services. The office may require 32 that a person receiving assistance pursuant to this section 33 contribute up to fifty percent of the amount required to 34 support the costs of contracting with the consultant to 35 provide assistance to the person. The office shall assist the 1 person in completing any technical information required in order to receive assistance by the department of economic 3 development pursuant to the value=added agricultural products 4 and processes financial assistance program created pursuant to 5 section 15E.111. The office shall cooperate with the 6 department of economic development, the department of natural resources office of energy independence, and regents 5 8 institutions or other universities and colleges as provided in 9 section 15E.111, in order to carry out this section. 5 10 Sec. 12. Section 214A.19, subsection 1, Code 2009, is 11 amended to read as follows: 5 12 1. The department of natural resources office of energy independence, conditioned upon the availability of funds, is 14 authorized to award demonstration grants to persons who 5 15 purchase vehicles which operate on alternative fuels, 5 16 including but not limited to E=85 gasoline, biodiesel, 5 17 compressed natural gas, electricity, solar energy, or 5 18 hydrogen. A grant shall be for the purpose of conducting 5 19 research connected with the fuel or the vehicle, and not for 5 20 the purchase of the vehicle itself, except that the money may 21 be used for the purchase of the vehicle if all of the 5 22 following conditions are satisfied: a. The department office retains the title to the vehicle. 5 24 b. The vehicle is used for continuing research. 5 If the vehicle is sold or when the research related to c. 5 26 the vehicle is completed, the proceeds of the sale of the 5 27 vehicle shall be used for additional research. 5 28 Sec. 13. Section 266.39C, subsection 2, paragraph a, 5 29 subparagraph (6), Code 2009, is amended to read as follows: (6) One representative of the <del>department of natural</del> 5 30 resources office of energy independence, appointed by the 31 5 32 director. 5 33 Sec. 14. Section 272C.2, subsection 3, Code 2009, is 5 34 amended to read as follows: 3. The state board of engineering and land surveyors, the 1 board of architectural examiners, the board of landscape 6 6 2 architectural examiners, and the department of natural resources office of energy independence shall cooperate with 6 6 4 each other and with persons who typically offer continuing 5 education courses for design professionals to make available 6 6 energy efficiency related continuing education courses, and to 6 encourage interdisciplinary cooperation and education 8 concerning available energy efficiency strategies for 6 6 9 employment in the state's construction industry. Sec. 15. Section 279.44, unnumbered paragraph 1, Code 2009, is amended to read as follows: 6 10 6 11 6 12 Between July 1, 1986 and June 30, 1991, and on a staggered 6 13 annual basis each five years thereafter, the board of 6 14 directors of each school district shall file with the 6 15 department of natural resources office of energy independence, 6 16 on forms prescribed by the <del>department of natural resources</del> 6 17 <u>office</u>, the results of an energy audit of the buildings owned 6 18 and leased by the school district. The energy audit shall be 6 19 conducted under rules adopted by the department of natural 6 20 resources office pursuant to chapter 17A. The department of 21 natural resources office may waive the requirement for the 6 22 initial and subsequent energy audits for school districts that 6 23 submit evidence that energy audits were conducted prior to 6 24 January 1, 1987 and energy consumption for the district is at 6 25 an adjusted statewide average or below. 26 Sec. 16. Section 323A.2, subsection 1, paragraph c, Code 27 2009, is amended to read as follows:
28 c. The director of the department of natural resources 6 26 6 28 6 29 office of energy independence determines that the franchisee 30 has demonstrated that a special hardship exists in the 31 community served by the franchisee relating to the public 6 32 health, safety, and welfare, as specified under the rules of 6 33 the <del>department of natural resources</del> <u>office</u>.

Sec. 17. Section 441.21, subsection 8, paragraph c, 6 35 subparagraph (2), unnumbered paragraph 2, Code 2009, is 1 amended to read as follows: In assessing and valuing the property for tax purposes, the assessor shall disregard any market value added by a solar 7 4 energy system to a building. The director of revenue shall 5 adopt rules, after consultation with the <del>department of natural 6 resources</del> office of energy independence, specifying the types 7 of equipment and structural components to be included under 8 the guidelines provided in this subsection. Sec. 18. Section 455A.2, Code 2009, is amended to read as 7 10 follows: 7 11 455A.2 DEPARTMENT OF NATURAL RESOURCES. 7 12 A department of natural resources is created, which has the 7 13 primary responsibility for state parks and forests, protecting 7 14 the environment, and managing energy, fish, wildlife, and land 7 15 and water resources in this state. 7 16 Sec. 19. Section 469.3, subsection 2, Code 2009, is 7 17 amended to read as follows: 2. The director shall do all of the following: 7 18 a. Direct the office of energy independence.b. Coordinate the administration of the Iowa power fund. 7 19 7 20 c. Lead outreach and public education efforts concerning 7 21 22 renewable energy, renewable fuels, and energy efficiency. 7 d. Pursue new research and investment funds from federal 2.3 7 24 and private sources. 7 e. Coordinate and monitor all existing state and federal 2.5 7 26 renewable energy, renewable fuels, and energy efficiency 7 27 grants, programs, and policy. 7 Advise the governor and general assembly concerning 28 29 renewable energy, renewable fuels, and energy efficiency 30 policy and legislation. 7 31 g. Establish performance measures for determining 32 effectiveness of renewable energy, renewable fuels, and energy 33 efficiency efforts. h. Contract for and utilize assistance from the department 7 35 of economic development regarding administration of grants, loans, and other financial incentives related to section 8 2 469.9, subsection 4, paragraph "a", subparagraph (1), the 8 3 department of natural resources and the utilities board 8 4 regarding assistance in the administration of grants, loans, 5 and other financial incentives related to section 469.9, 8 8 6 subsection 4, paragraph "a", subparagraph (2), and other state 8 7 agencies as appropriate. 8 8 i. Develop an Iowa energy independence plan pursuant to 8 9 section 469.4. 8 10 j. Approve engineering firms for performance of comprehensive engineering analyses done on buildings in which a state agency seeks to improve energy efficiency pursuant to 8 8 13 section 7D.34. k. Develop standards and methods to evaluate design 15 development and construction documents based on life cycle 8 16 cost factors in relation to design proposals submitted 17 pursuant to section 72.5. 8 18 1. Coordinate with other state agencies regarding implementation of the office of renewable fuels and coproducts 8 20 pursuant to section 159A.3, serve on the renewable fuels and coproducts advisory committee, and assist in providing technical assistance to new or existing renewable fuel 8 23 production facilities. m. Award demonstration grants for alternative fuels research pursuant to section 214A.19. 8 24 n. Appoint a representative to serve on the Iowa energy center advisory council established in section 266.39C. 8 28 o. Make available energy efficiency related continuing education courses pursuant to section 272C.2. 8 30 p. Receive results relating to energy audits from school districts and perform related functions pursuant to section 8 8 <u>279.44.</u> q. Determine whether special hardship criteria has been 34 demonstrated regarding franchise alternative fuel purchases 35 pursuant to section 323A.2.

1 r. Consult with the state building code commissioner
2 regarding submissions of life cycle cost analyses pursuant to 8 section 470.7. Compile energy=related information, administer and 5 coordinate the state building energy management program, and 6 perform additional responsibilities specified in section

t. Transmit by resolution to the governor a determination

9 of actual or impending acute usable energy shortage pursuant

9 10 to section 473.8.
9 11 u. Operate a liquid fossil fuel set=aside program as <u>required in section 473.10.</u> 13 v. Administer the building energy management program, the 14 building energy management fund, and the energy loan program 9 15 established in sections 473.19, 473.19A, and 473.20, respectively. w. Coordinate the energy city designation program created <u>in section 473.41.</u> 9 19 x. Provide assistance to local government bodies and the 20 public regarding access to solar energy pursuant to section 564A.9. 9 22 <del>j.</del> <u>y.</u> Submit an annual report to the governor and general 9 23 assembly by November 1 of each year concerning the activities 9 24 and programs of the office, Iowa power fund, and other 9 25 departments related to renewable energy, renewable fuels, and 9 26 energy efficiency. The report shall include an assessment of 9 27 needs with respect to renewable energy, renewable fuels, and 9 28 energy efficiency efforts and policy and fiscal 9 29 recommendations for renewable energy, renewable fuels, and 9 30 energy efficiency. In addition, the director shall review 9 31 issues relating to the transportation of biofuels and explore 9 32 leading and participating in multistate efforts relating to 33 renewable energy and energy efficiency.
34 k. z. Adopt rules pursuant to chapter 17A concerning the 9 34 9 35 office, the Iowa power fund, and the programs and functions of 1 the office and the fund. 10 10 Sec. 20. Section 469.4, subsection 1, Code 2009, is 3 amended to read as follows: 10 1. The director shall develop an Iowa energy independence 10 5 plan with the assistance of the department of natural 6 resources as provided in section 473.7, and in association 10  $\frac{10}{10}$ 10 7 with public and private partners selected by the director 8 including representatives of the energy industry, 10 10 environmental interests, agricultural interests, business 10 10 interests, other interested parties, and members of the 10 11 general public. The plan shall be subject to approval by the 10 12 board. 10 13 Sec. 21. Section 469.10, subsection 2, Code 2009, is 10 14 amended to read as follows: 10 15 2. a. Of the moneys appropriated to the office and 10 16 deposited in the fund, the office shall utilize up to three 10 17 and five=tenths percent of the amount appropriated from the 10 18 fund for a fiscal year for administrative costs. 10 19 b. From the funds available for administrative costs, the 10 20 office shall not employ more than four full=time equivalent 10 21 positions. The director may use federal funds received by the 10 22 office pursuant to the federal American Recovery and 10 23 Reinvestment Act of 2009, Pub. L. No. 111=5, to employ the 10 24 number of full=time employees necessary to administer the 10 25 funds received pursuant to the federal Act. If federal 10 26 funding pursuant to the Act is eliminated, the federally 10 27 funded positions shall be eliminated according to the 28 provisions of section 8A.413, unless another source of federal 29 funding is available. The director may use federal funds 10 30 received other than pursuant to the federal Act to employ 10 31 personnel necessary to administer any other program or funds 10 32 10 33 assigned to the office.

Sec. 22. Section 470.1, Code 2009, is amended to read as 10 34 follows: 10 35 470.1 DEFINITIONS. 11 As used in this chapter unless the context otherwise 11 2 requires: 3 1. "Commi 4 commissioner. 1. "Commissioner" means the state building code 11 11 11 2. "Department" means the department of natural resources. 11 6 3. 2. "Director" means the director of the department of natural resources office of energy independence.

4. 3. "Economic life" means the projected or anticipated <del>-11</del> 11 8 11 9 useful life of a facility as expressed by a term of years.
11 10 5. 4. "Energy system" includes but is not limited to the 11 11 following equipment or measures: 11 12 a. Equipment used to heat or cool the facility. 11 13 b. Equipment used to heat water in the facility. 11 14 c. On=site equipment used to generate electricity for the 11 15 major facility. 11 16 d. On=site equipment that uses the sun, wind, oil, natural 11 17

11 17 gas, coal or electricity as a power source.
11 18 e. Energy conservation measures in the facility design and
11 19 construction that decrease the energy requirements of the
11 20 facility.

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                 "Facility" means a building having twenty thousand
11 22 square feet or more of usable floor space that is heated or
11 23 cooled by a mechanical or electrical system or any building,
11 24 system, or physical operation which consumes more than forty
11 25 thousand British thermal units (BTUs) per square foot per
11 26 year.
                 "Initial cost" means the moneys required for the
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11 28 capital construction or renovation of a facility.

- 8. 7. "Life cycle cost analysis" means an analytical 11 30 technique that considers certain costs of owning, using and 11 31 operating a facility over its economic life including but not 11 32 limited to the following:
  - a. Initial costs.
  - b. System repair and replacement costs.c. Maintenance costs.
  - - d. Operating costs, including energy costs.
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- e. Salvage value.

  8. "Office" means the office of energy independence established in section 469.2.

  9. "Public agency" means a state agency, political 3
- 6 subdivision of the state, school district, area education agency, or community college.
  10. "Renovation" means a project where additions or 7
- alterations exceed fifty percent of the value of a facility 12 10 and will affect an energy system.
  12 11 Sec. 23. Section 470.3, subsection 2, Code 2009, is
- 12 12 amended to read as follows:
- 2. A public agency or a person preparing a life cycle cost 12 14 analysis for a public agency shall consider the methods and 12 15 analytical models provided by the department office and 12 16 available through the commissioner, which are suited to the 12 17 purpose for which the project is intended. Within sixty days 12 18 of final selection of a design architect or engineer, a public 12 19 agency, which is also a state agency under section 7D.34, 12 20 shall notify the commissioner and the department office of the 12 21 methodology to be used to perform the life cycle cost 12 22 analysis, on forms provided by the department office.
- Sec. 24. Section 470.7, Code 2009, is amended to read as 12 24 follows:
  - 470.7 LIFE CYCLE COST ANALYSIS == APPROVAL.
- 1. The public agency responsible for the new construction 12 27 or renovation of a public facility shall submit a copy of the 12 28 life cycle cost analysis for review by the commissioner who 12 29 shall consult with the department office. If the public 12 30 agency is also a state agency under section 7D.34, comments by 12 31 the department office or the commissioner, including any 12 32 recommendation for changes in the analysis, shall, within 12 33 thirty days of receipt of the analysis, be forwarded in 12 34 writing to the public agency. If either the department office 12 35 or the commissioner disagrees with any aspects of the life 1 cycle cost analysis, the public agency affected shall timely 2 respond in writing to the commissioner and the department 3 office. The response shall indicate whether the agency 4 intends to implement the recommendations and, if the agency 5 does not intend to implement them, the public agency shall 6 present its reasons. The reasons may include, but are not 7 limited to, a description of the purpose of the facility or 8 renovation, preservation of historical architectural features, 9 architectural and site considerations, and health and safety 13 10 concerns.
- 13 11 . Within thirty days of receipt of the response of the 13 12 public agency affected, the department office, the 13 13 commissioner, or both, shall notify in writing the public 13 14 agency affected of the department's office's, the 13 15 commissioner's, or both's agreement or disagreement with the 13 16 response. In the event of a disagreement, the department 13 17 office, the commissioner, or both, shall at the same time 13 18 transmit the notification of disagreement with response and 13 19 related papers to the executive council for resolution 13 20 pursuant to section 7D.34. The life cycle cost analysis 13 21 process, including submittal and approval, and implementation 13 22 exemption requests pursuant to section 470.8, shall be 13 23 completed prior to the letting of contracts for the 13 24 construction or renovation of a facility.
- 13 25 Sec. 25. Section 473.1, Code 2009, is amended to read as 13 26 follows:
  - 473.1 DEFINITIONS.

13 27 As used in this chapter, unless the context otherwise 13 28 13 29 requires:

13 30 1. "Alternative and renewable energy" means the same as in 13 31 section 469.31.

"Commission" means the environmental protection 13 33 commission of the department of natural resources. 3. "Department" means the department of natural resources 13 34 created under section 455A.2. 4. 3. "Director" means the director of the department 14 1 office or a designee. 14 2 14

5. 4. "Energy" or "energy sources" means gasoline, fuel

14 5 electricity. 14 6

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"Office" means the office of energy independence established in section 469.2.

"Renewable fuel" means the same as in section 469.31. 14 8 "Supplier" means any person engaged in the business of 9 14 10 selling, importing, storing, or generating energy sources, 14 11 14 12

alternative and renewable energy, or renewable fuel in Iowa. Sec. 26. Section 473.7, Code 2009, is amended to read as 14 13 follows: 14 14 473.7

473.7 DUTIES OF THE DEPARTMENT OFFICE.

The department office shall:

1. Assist the director of the office of energy independence with preparation of the Iowa energy independence

 $\frac{14}{17}$ 14 18 plan as provided in section 469.4. In addition to assistance 14 19 requested by the director, the department shall supply Supply 14 20 and annually update the following information: 14 21 a. The historical use and distribution of

a. The historical use and distribution of energy in Iowa.

b. The growth rate of energy consumption in Iowa, 14 23 including rates of growth for each energy source.

c. A projection of Iowa's energy needs at a minimum 14 25 through the year 2025.

d. The impact of meeting Iowa's energy needs on the 14 27 economy of the state, including the impact of energy 14 28 efficiency and renewable energy on employment and economic 14 29 development.

e. The impact of meeting Iowa's energy needs on the 14 31 environment of the state, including the impact of energy 14 32 production and use on greenhouse gas emissions.

f. An evaluation of renewable energy sources, including 14 34 the current and future technological potential for such 14 35 sources.

2. a. The department office shall collect and analyze 2 data to use in forecasting future energy demand and supply for 3 the state. A supplier is required to provide information 4 pertaining to the supply, storage, distribution, and sale of 5 energy sources in this state when requested by the department 6 office. The information shall be of a nature which directly 7 relates to the supply, storage, distribution, and sale of 15 8 energy sources, and shall not include any records, documents, 15 9 books, or other data which relate to the financial position of 15 10 the supplier. The department office, prior to requiring any 15 11 supplier to furnish it with such information, shall make every 15 12 reasonable effort to determine if such information is 15 13 available from any other governmental source. If it finds 15 14 such information is available, the department office shall not 15 15 require submission of the information from a supplier. 15 16 Notwithstanding the provisions of chapter 22, information and 15 17 reports obtained under this section shall be confidential 15 18 except when used for statistical purposes without identifying 15 19 a specific supplier and when release of the information will 15 20 not give an advantage to competitors and serves a public 15 21 purpose. The department office shall use this data to conduct 15 22 energy forecasts.

b. The department may subpoena witnesses, administer 15 24 oaths, and require the production of records, books, and 15 25 documents for examination in order to obtain information -15 26 required to be submitted under this section. In case of -15 27 failure or refusal on the part of any person to comply with a 15 28 subpoena issued by the department, or in case of the refusal 15 29 of any witness to testify as to any matter regarding which the 15 30 witness may be interrogated under this chapter, the district 15 31 court, upon the application of the department, may order the 15 32 person to show cause why the person should not be held in 15 33 contempt for failure to testify or comply with a subpoena, and 15 34 may order the person to produce the records, books, and 15 35 documents for examination, and to give testimony. The courts 1 may punish for contempt as in the case of disobedience to a 2 like subpoena issued by the court, or for refusal to testify.

3 3. Develop, recommend, and implement with appropriate 4 agencies public and professional education and communication 5 programs in energy efficiency, energy conservation, and 6 conversion to alternative and renewable energy.

4. When necessary to carry out its duties under this

16 8 chapter, enter into contracts with state agencies and other 16 9 qualified contractors.

16 10 5. Receive and accept grants made available for programs 16 11 relating to duties of the department office under this

16 12 chapter.

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16 13 6. Promulgate rules necessary to carry out the provisions 16 14 of this chapter, subject to review in accordance with chapter 16 15 17A. Rules promulgated by the governor pursuant to a 16 16 proclamation issued under the provisions of section 473.8 16 17 shall not be subject to review or a public hearing as required 16 18 in chapter 17A; however, agency office rules for 16 19 implementation of the governor's proclamation are subject to 16 20 the requirements of chapter 17A.

7. Examine and determine whether additional state 16 22 regulatory authority is necessary to protect the public 16 23 interest and to promote the effective development, utilization 16 24 and conservation of energy resources. If the department finds 16 25 that additional regulatory authority is necessary, the -16 26 department shall submit recommendations to the general -16 27 assembly concerning the nature and extent of such regulatory 28 authority and which state agency should be assigned such 16 29 regulatory responsibilities.

16 30 8. 7. Develop and assist Assist in the implementation of 16 31 public education and communications programs in energy 16 32 development, use and conservation, in cooperation with the 16 33 department of education, the state university extension 16 34 services and other public or private agencies and

16 35 organizations as deemed appropriate by the department office. 17 1 9. 8. Develop, in coordination with the office of energy -2 independence, a program to annually give public recognition to 3 innovative methods of energy conservation, energy management, 4 and alternative and renewable energy production.

10. 9. Administer and coordinate, in coordination with the office of energy independence, federal funds for energy 7 conservation, energy management, and alternative and renewable 17 8 energy programs.

11. 10. Administer and coordinate the state building 17 10 energy management program including projects funded through 17 11 private financing

17 12 11. Provide information from monthly fuel surveys 17 13 which establish a statistical average of motor fuel prices for 17 14 various motor fuels provided throughout the state. 17 15 Additionally, the department office shall provide statewide 17 16 monthly fuel survey information which establishes a 17 17 statistical average of motor fuel prices for various motor

17 18 fuels provided in both metropolitan and rural areas of the 17 19 state. The survey results shall be publicized in a monthly

17 20 press release issued by the <del>department</del> office. 17 21 13. Conduct a study on activities related to energy -17 22 production and use which contribute to global climate change 17 23 and the depletion of the stratospheric ozone layer. The study 17 24 shall identify the types and relative contributions of these -17 25 activities in Iowa. The department shall develop a strategy -17 26 to reduce emissions from activities identified as having an 17 27 adverse impact on the global climate and the stratospheric 17 28 ozone layer. The department shall submit a report containing 17 29 its findings and recommendations to the governor and general

30 assembly by January 1, 1992. 31 Sec. 27. Section 473.8, unnumbered paragraph 1, Code 2009, 17 32 is amended to read as follows:

17 33 If the department office by resolution determines the 17 34 health, safety, or welfare of the people of this state is 17 35 threatened by an actual or impending acute shortage of usable 1 energy, it shall transmit the resolution to the governor 2 together with its recommendation on the declaration of an 3 emergency by the governor and recommended actions, if any, to 4 be undertaken. Within thirty days of the date of the 5 resolution, the governor may issue a proclamation of emergency 6 which shall be filed with the secretary of state. The 7 proclamation shall state the facts relied upon and the reasons 8 for the proclamation.

Sec. 28. Section 473.8, subsection 4, Code 2009, is 18 10 amended to read as follows:

4. Delegate any administrative authority vested in the 18 11

18 12 governor to the <del>department</del> <u>office</u> or the director.
18 13 Sec. 29. Section 473.10, Code 2009, is amended to read as 18 14 follows:

473.10 RESERVE REQUIRED.

If the department office or the governor finds that an 18 16 1. 18 17 impending or actual shortage or distribution imbalance of 18 18 liquid fossil fuels may cause hardship or pose a threat to the 18 19 health and economic well=being of the people of the state or a 18 20 significant segment of the state's population, the department 18 21 office or the governor may authorize the director to operate a 18 22 liquid fossil fuel set=aside program as provided in subsection 18 23 2.

- Upon authorization by the department office or the 18 25 governor the director may require a prime supplier to reserve 18 26 a specified fraction of the prime supplier's projected total 18 27 monthly release of liquid fossil fuel in Iowa. The director 18 28 may release any or all of the fuel required to be reserved by a prime supplier to end-users or to distributors for release 18 30 through normal retail distribution channels to retail 18 31 customers. However, the specified fraction required to be 18 32 reserved shall not exceed three percent for propane, aviation 18 33 fuel and residual oil, and five percent for motor gasoline, 18 34 heating oil, and diesel oil.
  - The department office shall periodically review and may 3. terminate the operation of a set-aside program authorized by 2 the department office under subsection 1 when the department office finds that the conditions that prompted the 4 authorization no longer exist. The governor shall 5 periodically review and may terminate the operation of a 6 set=aside program authorized by the governor under subsection 7 1 when the governor finds that the conditions that prompted the authorization no longer exist.
- 4. The director shall adopt rules to implement this 19 10 section.
  - Sec. 30. Section 473.15, Code 2009, is amended to read as follows:

473.15 ANNUAL REPORT.

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19 14 The department office shall complete an annual report to 19 15 assess the progress of state agencies in implementing energy 19 16 management improvements, alternative and renewable energy 19 17 systems, and life cycle cost analyses under chapter 470, and 19 18 on the use of renewable fuels. The department office shall 19 19 work with state agencies and with any entity, agency, or 19 20 organization with which they are associated or involved in 19 21 such implementation, to use available information to minimize 19 22 the cost of preparing the report. The department office shall 19 23 also provide an assessment of the economic and environmental 19 24 impact of the progress made by state agencies related to 19 25 energy management and alternative and renewable energy, a 19 26 with recommendations on technological opportunities and 19 27 policies necessary for continued improvement in these areas. Sec. 31. Section 473.19, Code 2009, is amended to read as

19 29 follows: 473.19 ENERGY BANK BUILDING ENERGY MANAGEMENT PROGRAM.

19 31 1. The <u>building</u> energy <u>bank management</u> program is 19 32 established by the <u>department office</u>. The <u>building</u> energy 19 33 bank management program consists of the following forms of 34 assistance for the state, state agencies, political 19 35 subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations:

a. Promoting program availability.

3 b. Developing or identifying guidelines and model energy 4 techniques for the completion of energy analyses for state 5 agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations. 7

c. Providing technical assistance for conducting or evaluating energy analyses for state agencies, political 20 10 subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations. 20 11

- 20 12 d. Providing or facilitating loans, leases, and other 20 13 methods of alternative financing under the energy loan program 20 14 for the state, state agencies, political subdivisions of the 20 15 state, school districts, area education agencies, community 20 16 colleges, and nonprofit organizations to implement energy 20 17 management improvements or energy analyses.
- e. Providing assistance for obtaining insurance on the 20 18 20 19 energy savings expected to be realized from the implementation 20 20 of energy management improvements. 20 21
- f. Facilitating self=liquidating financing for the state, 20 22 state agencies, political subdivisions of the state, school 20 23 districts, area education agencies, community colleges, and 20 24 nonprofit organizations pursuant to section 473.20A.
- 20 25 g. Assisting the treasurer of state with financing 20 26 agreements entered into by the treasurer of state on behalf of 20 27 state agencies to finance energy management improvements 20 28 pursuant to section 12.28.
  - 2. For the purpose of this section, section 473.20, and

20 30 section 473.20A, "energy management improvement" means 20 31 construction, rehabilitation, acquisition, or modification of 20 32 an installation in a facility or vehicle which is intended to 20 33 reduce energy consumption, or energy costs, or both, or allow 20 34 the use of alternative and renewable energy. "Energy 20 35 management improvement may include control and measurement 21 devices. "Nonprofit organization" means an organization exempt from federal income taxation under section 501(c)(3) of 21 21 the Internal Revenue Code.

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The department office shall submit a report by January 3. 1 annually to the governor and the general assembly detailing services provided and assistance rendered pursuant to the 6 building energy bank management program and pursuant to sections 473.20 and 473.20A, and receipts and disbursements in relation to the <u>building</u> energy <del>bank</del> <u>management</u> fund created 21 10 in section 473.19A.

21 11 4. Moneys awarded or allocated to the state, its citizens, 21 12 or its political subdivisions as a result of the federal court 21 13 decisions and United States department of energy settlements 21 14 resulting from alleged violations of federal petroleum pricing 21 15 regulations attributable to or contained within the Stripper 21 16 Well fund shall be allocated to and remain under the control 21 17 of the department office for utilization for energy 21 18 program=related staff support purposes.

Section 473.19A, Code 2009, is amended to read as Sec. 32. 21 20 follows:

473.19A BUILDING ENERGY BANK MANAGEMENT FUND.

- The <u>building</u> energy <del>bank</del> <u>management</u> fund is created 21 23 within the state treasury under the control of the department, -21 24 in collaboration with the office of energy independence 21 25 established in section 469.2 office. The fund shall be used 21 26 for the operational expenses and administrative costs incurred 21 27 by the department office in facilitating and administering the 21 28 <u>building</u> energy <u>bank management</u> program established in section 21 29 473.19.
- 2. The <u>building</u> energy <del>bank</del> <u>management</u> fund shall consist 21 31 of amounts deposited into the fund or allocated from the 32 following sources:
- 21 33 a. Any moneys awarded or allocated to the state, its 21 34 citizens, or its political subdivisions as a result of the 21 35 federal court decisions and United States department of energy 22 1 settlements resulting from alleged violations of federal 2 petroleum pricing regulations attributable to or contained 3 within the Exxon fund. Amounts remaining in the oil overcharge account established in section 455E.11, subsection 5 2, paragraph "e", Code 2007, and the energy conservation trust 6 established in section 473.11, Code 2007, as of June 30, 2008, shall be deposited into the <u>building</u> energy <del>bank</del> <u>management</u> 8 fund pursuant to this paragraph, notwithstanding section 8.60, 9 subsection 15, Code 2007.
- b. (1) Moneys received in the form of fees imposed upon the state, state agencies, political subdivisions of the 22 12 state, school districts, area education agencies, community 22 13 colleges, and nonprofit organizations for services performed 22 14 or assistance rendered pursuant to the building energy bank 22 15 management program. Fees imposed pursuant to this paragraph 22 16 shall be established by the department office in an amount 22 17 corresponding to the operational expenses or administrative 22 18 costs incurred by the <del>department</del> office in performing services 22 19 or providing assistance authorized pursuant to the building 22 20 energy bank management program, as follows:
- (a) For a building of up to twenty=five thousand square 22 22 feet, two thousand five hundred dollars.
- (b) For a building in excess of twenty=five thousand 22 24 square feet, an additional eight cents per square foot.
- (c) A building that houses more energy intensive functions 22 26 may be subject to a higher fee than the fees specified in 22 27 subparagraphs (a) and (b) as determined by the department 22 28 office.
- 22 29 (2) Any fees imposed shall be retained by the department 22 30  $\underline{\text{office}}$  and are appropriated to the  $\underline{\text{department}}$   $\underline{\text{office}}$  for 22 31 purposes of providing services or assistance under the 22 32 program.
- c. Moneys appropriated by the general assembly and any 22 34 other moneys, including grants and gifts from government and 22 35 nonprofit organizations, available to and obtained or accepted 1 by the department office for placement in the fund.
  - d. Moneys contained in the intermodal revolving loan fund 3 administered by the department of transportation for the 4 fiscal year beginning July 1, 2019, and succeeding fiscal 5 years.

Moneys in the fund are not subject to section 8.33. 7 Notwithstanding section 12C.7, interest or earnings on moneys in the fund shall be credited to the fund.

23 9 3. The <u>building</u> energy <u>bank management</u> fund shall be 23 10 limited to a maximum of one million dollars. Amounts in 23 11 excess of this maximum limitation shall be transferred to and 23 12 deposited in the rebuild Iowa infrastructure fund created in 23 13 section 8.57, subsection 6. 23 14 Sec. 33. Section 473.20, Code 2009, is amended to read as

23 15 follows:

473.20 ENERGY LOAN PROGRAM.

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1. An energy loan program is established and shall be 23 18 administered by the <del>department</del> office.

23 19 2. The department office may facilitate the loan process 23 20 for political subdivisions of the state, school districts, 23 21 area education agencies, community colleges, and nonprofit 23 22 organizations for implementation of energy management 23 23 improvements identified in an energy analysis. 23 24 facilitated for all cost=effective energy management 23 25 improvements. For political subdivisions of the state, school 23 26 districts, area education agencies, community colleges, and 23 27 nonprofit organizations to receive loan assistance under the 23 28 program, the department office shall require completion of an 23 29 energy management plan including an energy analysis. The 23 30 department office shall approve loans facilitated under this 23 31 section.

23 32 3. a. Cities and counties shall repay the loans from 23 33 moneys in their debt service funds. Area education agencies 23 34 shall repay the loans from any moneys available to them.

- School districts and community colleges may enter into financing arrangements with the department office or its duly 2 authorized agents or representatives obligating the school 3 district or community college to make payments on the loans 4 beyond the current budget year of the school district or 5 community college. Chapter 75 shall not be applicable. 6 School districts shall repay the loans from moneys in either their general fund or debt service fund. Community colleges shall repay the loans from their general fund. Other entities 7 8 9 receiving loans under this section shall repay the loans from 24 10 any moneys available to them.
  - 4. For the purpose of this section, "loans" means loans, leases, or alternative financing arrangements.
- 24 13 5. Political subdivisions of the state, school districts,  $24\ 14$  area education agencies, and community colleges shall design 24 15 and construct the most energy cost-effective facilities 24 16 feasible and may use financing facilitated by the department 24 17 office to cover the incremental costs above minimum building 24 18 code energy efficiency standards of purchasing 24 19 energy=efficient devices and materials unless other lower cost 24 20 financing is available. As used in this section, "facility" 24 21 means a structure that is heated or cooled by a mechanical or 24 22 electrical system, or any system of physical operation that 24 23 consumes energy to carry out a process. 24 24
- 6. The department office shall not require the state, 24 25 state agencies, political subdivisions of the state, school 24 26 districts, area education agencies, and community colleges to 24 27 implement a specific energy management improvement identified 24 28 in an energy analysis if the entity which prepared the 24 29 analysis demonstrates to the department office that the 24 30 facility which is the subject of the energy management 24 31 improvement is unlikely to be used or operated for the full 24 32 period of the expected savings payback of all costs associated 24 33 with implementing the energy management improvement, including 24 34 without limitation, any fees or charges of the department 24 35 <u>office</u>, engineering firms, financial advisors, attorneys, and 25 1 other third parties, and all financing costs including interest, if financed.
  - Sec. 34. Section 473.20A, subsection 1, Code 2009, is amended to read as follows:
- a. The department of natural resources office may 6 facilitate financing agreements that may be entered into with political subdivisions of the state, school districts, area 8 education agencies, community colleges, or nonprofit 9 organizations to finance the costs of energy management 10 improvements on a self-liquidating basis. The provisions of 25 11 section 473.20 defining eligible energy management 25 12 improvements apply to financings under this section.
- 25 13 b. The financing agreement may contain provisions, 25 14 including interest, term, and obligations to make payments on 25 15 the financing agreement beyond the current budget year, as may 25 16 be acceptable to political subdivisions of the state, school

25 17 districts, area education agencies, community colleges, or 25 18 nonprofit organizations.

25 19 c. The department office shall assist the treasurer of 25 20 state with financing agreements entered into by the treasurer The department office shall assist the treasurer of 25 21 of state on behalf of state agencies pursuant to section 12.28 25 22 to finance energy management improvements being implemented by 25 23 state agencies. 25 24 Sec. 35. Se

Section 473.41, Code 2009, is amended to read as Sec. 35. 25 25 follows:

473.41 ENERGY CITY DESIGNATION PROGRAM.

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- The department office shall establish an energy city 25 28 designation program, with the objective of encouraging cities 25 29 to develop and implement innovative energy efficiency 25 30 programs. To qualify for designation as an energy city, a 25 31 city shall submit an application on forms prescribed by the 25 32 department office by rule, indicating the following:
- 25 33 a. Submission of community=pased plans for charg, 25 34 reduction projects, energy=efficient building construction and 25 34 reduction projects, energy=efficient building construction and 1 production.
  - 2 b. Efforts to secure local funding for community=based 3 plans, and documentation of any state or federal grant or loan 4 funding being pursued in connection therewith.
  - c. Involvement of local schools, civic organizations, 6 chambers of commerce, and private groups in a community=based
- Existing or proposed ordinances encouraging energy d. efficiency and conservation, recycling efforts, and 26 10 energy=efficient building code provisions and enforcement.
- e. Organization of an energy day observance and 26 12 proclamation with a commemorating event and awards ceremony 26 13 for leading energy=efficient community businesses, groups, 26 14 schools, or individuals.
- 2. The department office shall establish by rule criteria for awarding energy city designations. If more than one 26 16 26 17 designation is awarded annually, the criteria shall include a 26 18 requirement that the <del>department</del> office award the designations 26 19 to cities of varying populations. Rules shall also be 26 20 established identifying and publicizing state grant and loan 26 21 programs relating to energy efficiency, and the development of 26 22 a procedure whereby the department office shall coordinate 26 23 with other state agencies preferences given in the awarding of 26 24 grants or making of loans to energy city designated 26 25 applicants.
  - Sec. 36. Section 476.6, subsection 16, paragraph b, Code 2009, is amended to read as follows:
- 26 28 b. A gas and electric utility required to be 26 29 rate=regulated under this chapter shall assess potential 26 30 energy and capacity savings available from actual and 26 31 projected customer usage by applying commercially available 26 32 technology and improved operating practices to energy=using 26 33 equipment and buildings. The utility shall submit the 26 34 assessment to the board. Upon receipt of the assessment, the 26 35 board shall consult with the department of natural resources office of energy independence to develop specific capacity and 2 energy savings performance standards for each utility. The 3 utility shall submit an energy efficiency plan which shall 4 include economically achievable programs designed to attain 5 these energy and capacity performance standards. The board 6 shall periodically report the energy efficiency results including energy savings of each utility to the general 8 assembly.
- Sec. 37. Section 476.63, Code 2009, is amended to read as 27 10 follows:

476.63 ENERGY EFFICIENCY PROGRAMS.

27 11 27 12 The division shall consult with the department of natural <del>27 13</del> resources office of energy independence in the development and 27 14 implementation of public utility energy efficiency programs. 27 15 Section 564A.9, Code 2009, is amended to read as Sec. 38. 27 16 follows:

27 17 564A 27 18 PUBLIC. 564A.9 ASSISTANCE TO LOCAL GOVERNMENT BODIES AND THE

27 19 The department of natural resources office of energy independence shall make available information and guidelines 27 21 to assist local government bodies and the public to understand 27 22 and use the provisions of this chapter. The information and 27 23 guidelines shall include an application form for a solar 27 24 access easement, instructions and aids for preparing and 27 25 recording solar access easements and model ordinances that 27 26 promote reasonable access to solar energy.

Sec. 39. Section 473.13A, Code 2009, is repealed.

Sec. 40. TRANSITION PROVISIONS == RULEMAKING.

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27 29 1. Any moneys retained in any account or fund under the 27 30 control of the department of natural resources relative to the 27 31 provisions of this Act shall be transferred to a comparable 27 32 fund or account under the control of the office of energy 27 33 independence for such purposes.

27 34 2. Any license, permit, or contract issued or entered into 27 35 by the department of natural resources relative to the 1 provisions of this Act in effect on the effective date of this Act shall continue in full force and effect pending transfer of such licenses, permits, or contracts to the office of energy independence.

3. Not later than August 1, 2009, the office of energy independence shall adopt administrative rules previously adopted by the department of natural resources relative to the 8 provisions of this Act in existence on the effective date of 28 9 this Act by emergency rulemaking pursuant to section 17A.4, 28 10 subsection 3, and section 17A.5, subsection 2, paragraph "b" 28 11 The rules shall become effective immediately upon filing or on 28 12 a later effective date specified in the rules. Any rules 28 13 adopted in accordance with the provisions of this section 28 14 shall also be published as a notice of intended action as 28 15 provided in section 17A.4. Any rule, regulation, form, order, 28 16 or directive promulgated by the department relative to the 28 17 provisions of this Act in effect on the effective date of this 28 18 Act shall continue in full force and effect until such 28 19 emergency rules are adopted.

The provisions of section 469.10, subsection 2, 28 21 relating to utilization by the director of the office of 28 22 energy independence of federal funds received other than 28 23 pursuant to the federal American Recovery and Reinvestment Act 28 24 of 2009, Pub. L. No. 111=5 to employ personnel necessary to 28 25 administer any program assigned to the office, shall be 28 26 applicable to the transfer from the department of natural 28 27 resources to the office of energy independence of individuals 28 28 currently employed by the department in capacities relating to 28 29 the programs or provisions transferred from the department to 28 30 the office pursuant to this Act.

EXPLANATION

28 32 This bill transfers authority over specified energy=related 28 33 measures and programs from the department of natural resources 28 34 to the office of energy independence. References to the 28 35 "department" are changed to the "office" throughout Code 1 chapter 470 relating to life cycle cost analyses of public 2 facilities, and Code chapter 473, which contains provisions 3 relating to the development of policies and programs that 29 29 29 29 4 promote energy efficiency, alternative and renewable energy, 5 and energy management improvement financing. Similar 6 reference changes are made with regard to approving 29 29 29 engineering firms for performance of comprehensive engineering 8 analyses done on a building in which a state agency seeks to 9 improve energy efficiency pursuant to Code section 7D.34, 29 29 29 10 developing standards and methods to evaluate design 29 11 development and construction documents based on life cycle 29 12 cost factors in relation to design proposals submitted 29 13 pursuant to Code section 72.5, and coordinating with other 29 14 state agencies regarding implementation of the office of 29 15 renewable fuels and coproducts pursuant to Code section 29 16 159A.3, serving on the renewable fuels and coproducts advisory 29 17 committee, and assisting in providing technical assistance to 29 18 new or existing renewable fuel production facilities. 29 19 Additional transfers of authority include awarding 29 20 demonstration grants for alternative fuels research pursuant 29 21 to Code section 214A.19, appointing a representative to serve 29 22 on the Iowa energy center advisory council established in Code 29 23 section 266.39C, making available energy efficiency=related 29 24 continuing education courses pursuant to Code section 272C.2, 29 25 receiving results relating to energy audits from school 29 26 districts and perform related functions pursuant to Code 29 27 section 279.44, determining whether special hardship criteria 29 28 has been demonstrated regarding franchise alternative fuel 29 29 purchases pursuant to Code section 323A.2, and providing 29 30 assistance to local government bodies and the public regarding 29 31 access to solar energy pursuant to Code section 564A.9. 29 32 Conforming changes are made in Code chapter 469 regarding the 29 33 transfer of authority. With reference to transferred 29 34 authority for specified duties of the department of natural 35 resources in Code section 473.7, the bill deletes the ability 1 to issue a subpoena and related authority regarding the 29 30 30 2 obtaining of information formerly required to be submitted to 3 the department, and deletes authority to evaluate and submit

30 4 recommendations regarding whether additional state regulatory 30 5 authority regarding energy development, utilization, and 30 6 conservation is needed.

Additionally, the bill provides that the director may use 8 funds received pursuant to the federal American Recovery and 9 Reinvestment Act of 2009 to employ personnel necessary to 30 10 administer the federal Act, that these positions will be 30 11 eliminated if the federal funding is eliminated unless another 30 12 source of federal funding is available, and that federal 30 13 funding other than pursuant to the federal Act may be utilized 30 14 to employ personnel necessary to administer any other program 30 15 or funds assigned to the office, including employing employees 30 16 transferred from the department in positions relating to the 30 17 authority transferred under the bill.

30 18 The bill repeals Code section 473.13A, which contained 30 19 outdated terminology and outdated provisions regarding 30 20 financing for energy measures provided directly by the 30 21 department. The bill also changes the names of the energy 30 22 bank program and the energy bank fund to building energy 30 23 management program and building energy management fund,

30 24 respectively. 30 25

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The bill contains transition provisions regarding the 30 26 transfer of moneys retained in an account or fund under the 30 27 control of the department to a comparable fund or account of 30 28 the office, regarding the continuation of any license, permit, 30 29 or contract issued or entered into by the department of 30 30 natural resources pending transfer and assignment to the 30 31 office; and regarding the continuation of any rule, 30 32 regulation, form, order, or directive promulgated by the 30 33 department relative to the provisions of the bill until 30 34 emergency rules are promulgated by the department.

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