

**Senate File 2294 - Introduced**

SENATE FILE 2294

BY BOLKCOM

**A BILL FOR**

1 An Act relating to the establishment of energy districts.

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

1     Section 1.   NEW SECTION.   385.1   Definitions.

2     For purposes of this chapter, unless the context otherwise  
3 requires:

4     1.   "*Board*" means a board of directors of an energy district.

5     2.   "*District*" means an energy district created pursuant to  
6 this chapter.

7     3.   "*Energy improvement*" means construction, rehabilitation,  
8 acquisition, or modification of an installation in a facility  
9 that is intended to reduce energy consumption or energy costs,  
10 or both, or allow the use of alternate and renewable energy.

11    Sec. 2.   NEW SECTION.   385.2   Energy districts formed.

12    1.   A county, a county and one or more cities within that  
13 county, or one or more cities in the same county may create,  
14 by chapter 28E agreement, an energy district pursuant to this  
15 chapter. A city located within the boundaries of more than one  
16 county is eligible to participate in a district formed from one  
17 of the counties where the city is located, and the district  
18 shall serve the entire city.

19    2.   The chapter 28E agreement shall include a map showing the  
20 area and boundaries of the district.

21    3.   A county or city is not required to participate in a  
22 district or be a party to a chapter 28E agreement under this  
23 chapter.

24    Sec. 3.   NEW SECTION.   385.3   Duties.

25    An energy district may perform all of the following duties:

26    1.   Provide technical assistance and energy planning  
27 services to residents within the district relating to  
28 opportunities for energy improvements, including identifying  
29 sources for financial assistance.

30    2.   Monitor and establish goals for energy usage and  
31 production in the district.

32    3.   Assist with compliance of the state building code energy  
33 conservation requirements.

34    4.   Take any action consistent with the goal of the state to  
35 efficiently utilize energy resources in accordance with section

1 473.3.

2 Sec. 4. NEW SECTION. 385.4 Board of directors.

3 1. A district shall be governed by a board of directors.  
4 If a district is created by one county or one or more cities,  
5 the members of the board of directors shall be appointed by  
6 the governing body of the county or city, as applicable. If a  
7 district is created by a county and one or more cities, members  
8 of the board of directors shall be divided among the county and  
9 cities participating in the district and shall be appointed by  
10 the governing bodies of the participating county and cities.

11 2. A board of directors shall consist of residents of each  
12 county or city participating in the district. The chapter 28E  
13 agreement shall specify the composition of the board and the  
14 number of members on the board, which shall not be less than  
15 three.

16 3. The directors shall serve staggered terms of four years.  
17 The initial board shall determine, by lot, the initial terms  
18 to be shortened and lengthened, as necessary, to achieve  
19 staggered terms. A person appointed to fill a vacancy shall be  
20 appointed in the same manner as the original appointment for  
21 the duration of the unexpired term. A director is eligible  
22 for reappointment. This subsection shall not apply if a  
23 chapter 28E agreement entered into under this chapter provides  
24 an alternative for the length of term, appointment, and  
25 reappointment of directors.

26 4. A board may provide procedures for the removal of a  
27 director who fails to attend three consecutive regular meetings  
28 of the board. If a director is so removed, a successor shall be  
29 appointed for the duration of the unexpired term of the removed  
30 director in the same manner as the original appointment. The  
31 appointing governing body may at any time remove a director  
32 appointed by it for misfeasance, nonfeasance, or malfeasance  
33 in office.

34 5. A board shall adopt bylaws and shall elect one director  
35 as chairperson and one director as vice chairperson, each for a

1 term of two years, and shall appoint a secretary who need not  
2 be a director.

3 6. A majority of the membership of a board of directors  
4 shall constitute a quorum for the purpose of holding a meeting  
5 of the board. The affirmative vote of a majority of a quorum  
6 shall be necessary for any action taken by a district unless  
7 the district's bylaws specify those particular actions of the  
8 district requiring a greater number of affirmative votes. A  
9 vacancy in the membership of the board shall not impair the  
10 rights of a quorum to exercise all the rights and perform all  
11 the duties of the district.

12 Sec. 5. NEW SECTION. 385.5 Activities coordination.

13 In all activities of an energy district, the district  
14 may coordinate its activities with the department of natural  
15 resources, the economic development authority, the department  
16 of commerce, the department of public safety, and councils of  
17 governments and regional and local agencies.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with  
20 the explanation's substance by the members of the general assembly.

21 This bill authorizes a county, a county and one or more  
22 cities within that county, or one or more cities within the  
23 same county to create an energy district by Code chapter 28E  
24 agreement.

25 The bill provides that a city located within the boundaries  
26 of more than one county may participate in an energy district  
27 formed from one of the counties where the city is located, and  
28 the district shall serve the entire city. The Code chapter 28E  
29 agreement establishing a district must include a map showing  
30 the boundaries of the district.

31 The bill provides that an energy district may provide  
32 technical assistance and energy planning services to  
33 residents in the district relating to opportunities for energy  
34 improvements, as defined in the bill, including identifying  
35 financial assistance sources, monitor and establish goals for

1 energy usage and production, assist with compliance of the  
2 state building code energy conservation requirements, and  
3 take any action consistent with the state goal to efficiently  
4 utilize energy resources in accordance with Code section 473.3  
5 ("energy resource management goal").

6 The bill provides that an energy district shall be governed  
7 by a board of directors who are residents of the district and  
8 who are appointed by the governing bodies of the participating  
9 county or cities, as applicable. Unless otherwise stated  
10 in the Code chapter 28E agreement, directors are to serve  
11 staggered terms of four years. A board may establish  
12 procedures for the removal of a director who fails to attend  
13 three consecutive meetings. The governing body that appointed  
14 a director may at any time remove a director for misfeasance,  
15 nonfeasance, or malfeasance in office. A board must adopt  
16 bylaws. A majority of the membership of a board constitutes  
17 a quorum for holding a meeting and the affirmative vote of a  
18 majority is necessary for taking action. The agreement shall  
19 specify the composition of the board and the number of members  
20 on the board.

21 The bill provides that an energy district may coordinate  
22 its activities with the department of natural resources, the  
23 economic development authority, the department of commerce, the  
24 department of public safety, and councils of government and  
25 regional and local agencies.