

2. The offset shall be equal to the average annual environmental protection charge on diminution imposed under chapter 424 which would be paid for tanks of similar size. The offset shall be based on the rate of diminution presently in force, regardless of the date on which the tank was closed. The offset shall apply to the release which is still subject to remedial fund payments under section 455G.9.

3. Offsets under this section shall be credited to cost recovery enforcement proceeds under section 455G.8, subsection 5.

4. The board shall adopt rules as necessary and convenient for the implementation and administration of the offset.

Sec. 42. Notwithstanding any limitations on division or department full-time equivalent positions in any enacted legislation, the department of natural resources may utilize funding, other than general fund moneys, to employ up to 4.00 additional full-time equivalent positions to work on the underground storage tank program for the fiscal year beginning July 1, 1991, and ending June 30, 1992.

Sec. 43. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved June 10, 1991

CHAPTER 253

ENERGY EFFICIENCY

S.F. 508

AN ACT relating to energy efficiency by expanding the entities entitled to financial assistance for implementing energy conservation measures, requiring implementation of life cycle cost analyses and providing exemptions from the implementation requirements, requiring the appropriation of abandoned utility refunds and deposits, establishing energy efficiency standards for certain products and establishing various energy efficiency-related programs and projects.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 18.115, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. Of all new passenger vehicles and light pickup trucks purchased by the state vehicle dispatcher, institutions under the control of the state board of regents, community colleges, and any other state agency purchasing such new vehicles and trucks, beginning July 1, 1992, a minimum of five percent, and beginning July 1, 1994, a minimum of ten percent of all such vehicles and trucks purchased shall be equipped with engines which utilize alternative methods of propulsion including but not limited to those propelled by flexible fuels, compressed natural gas, propane, solar energy, or electricity. For the purpose of this subsection, "flexible fuels" means fuels which are blended with eighty-five percent ethanol and fifteen percent gasoline. The provisions of this subsection do not apply to such vehicles and trucks purchased for the following purposes: law enforcement, off-road maintenance work, or work vehicles used to pull loaded trailers. This subsection also does not apply to school corporations, with the exceptions of those designated above. It is the intent of the general assembly that the members of the midwest energy compact promote the development and purchase of motor vehicles equipped with engines which utilize alternative methods of propulsion.

Sec. 2. Section 93.11, subsection 1, paragraph d, Code 1991, is amended to read as follows:

d. Unless prohibited by the conditions applying to a settlement, the petroleum overcharge moneys in the energy conservation trust may be used for the payment of attorney fees and

expenses incurred by the state to obtain the moneys and shall be paid by the director of revenue and finance from the available moneys in the trust subject to the approval of the attorney general.

Sec. 3. Section 93.11, subsection 1, Code 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. The moneys deposited in the energy research and development fund shall be used for research and development of selected projects to improve Iowa's energy independence by developing improved methods of energy efficiency, or by increased development and use of Iowa's renewable nonresource-depleting energy resources. The moneys credited to the fund under section 556.18 shall be used for energy conservation and alternative energy resource projects. The projects shall be selected by the director and administered by the department. Selection criteria for funded projects shall include consideration of indirect restitution to those persons in the state in the utility customer classes and the utility service territories affected by unclaimed utility refunds or deposits.

Notwithstanding the provisions of this section directing that moneys be deposited into the energy research and development fund, for the fiscal period beginning July 1, 1991, and ending June 30, 1993, all moneys shall be deposited into the general fund of the state. There is appropriated annually from the general fund of the state the sum of one hundred fifty thousand dollars to be used for the purposes of this section.

Sec. 4. Section 93.11, subsection 5, Code 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. The energy research and development fund.

Sec. 5. Section 93.11, subsection 6, Code 1991, is amended to read as follows:

6. The moneys in the fund in the energy conservation trust distributed to the state as a result of the 1985 federal court decision finding Exxon corporation in violation of federal petroleum pricing regulations shall be expended, to the extent possible, over a period of no more than six years and shall be disbursed for projects which meet the strict guidelines of the five existing federal energy conservation programs specified in Pub. L. No. 97-377, § 155, 96 Stat. 1830, 1919 (1982). The council shall approve the disbursement of petroleum overcharge moneys from the fund in the trust for other projects only if the project meets one or more of the following conditions:

Sec. 6. Section 93.13A, Code 1991, is amended to read as follows:

93.13A ENERGY CONSERVATION MEASURES IDENTIFIED AND IMPLEMENTED.

The state, state agencies, political subdivisions of the state, ~~schools~~ school districts, area education agencies, and community colleges shall identify and implement, through energy audits and engineering analyses, all energy conservation measures identified for which financing is made available by the department to the entity. The energy conservation measure financings shall be supported through payments from energy savings.

The department shall not require a school district, ~~area school~~ community college, area education agency, city, or county to perform an engineering analysis if the school district, community college, area education agency, city, or county demonstrates to the department that the facility which is the subject of the proposed engineering analysis at issue is unlikely to be in use or operation in six years by the governmental entity currently using or occupying the facility.

Sec. 7. Section 93.19, Code 1991, is amended to read as follows:

93.19 ENERGY BANK PROGRAM.

The energy bank program is established by the department. The energy bank program consists of the following forms of assistance for school districts, area education agencies, cities, counties, and community colleges the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations:

1. Providing moneys from the petroleum overcharge fund for conducting energy audits for school districts under section 279.44 for conducting comprehensive engineering analyses for

school districts and for conducting energy audits and comprehensive engineering analyses for state agencies, and political subdivisions of the state.

2. Providing loans, leases, and other methods of alternative financing from the energy loan fund established in section 93.20 and section 93.20A for school districts, community colleges, area education agencies, cities and counties the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations to implement energy conservation measures.

3. Serving as a source of technical support for energy conservation management.

4. Providing assistance for obtaining insurance on the energy savings expected to be realized from the implementation of energy conservation measures.

5. Providing self-liquidating financing for school districts, community colleges, area education agencies, cities, and counties, the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations pursuant to section 93.20A.

For the purpose of this section, section 93.20, and section 93.20A, "energy conservation measure" means construction, rehabilitation, acquisition, or modification of an installation in a building facility or vehicle which is intended to reduce energy consumption, or energy costs, or both, or allow the use of an alternative energy source, which may contain integral control and measurement devices. "Nonprofit organization" means an organization exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code.

Sec. 8. Section 93.20, Code 1991, is amended to read as follows:

93.20 ENERGY LOAN FUND.

An energy loan fund is established in the office of the treasurer of state to be administered by the department.

1. The department may make loans to school districts, community colleges, area education agencies, cities, and counties the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations for implementation of energy conservation measures identified in a comprehensive engineering analysis. Loans shall not be made for energy conservation measures that require more than an average of six years for the school district, community college, area education agency, city and county state, state agency, political subdivision of the state, school district, area education agency, community college, or nonprofit organization as an entity to recoup the actual or projected cost of construction and acquisition of the improvements; and cost of the engineering plans and specifications. For a school district, community college, area education agency, city or county the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations to receive a loan from the fund, the department shall require completion of an energy management plan including an energy audit and a comprehensive engineering analysis. The department shall approve loans made under this section.

2. Cities and counties shall repay the loans from moneys in their debt service funds. Area education agencies shall repay the loans from any moneys available to them.

School districts and community colleges may enter into financing arrangements with the department or its duly authorized agents or representatives obligating the school district or community college to make payments on the loans beyond the current budget year of the school district or community college. Chapter 75 shall not be applicable. School districts shall repay the loans from moneys in either their general fund or schoolhouse fund. Community colleges shall repay the loans from their general fund. Other entities receiving loans under this section shall repay the loans from any moneys available to them.

3. The department may accept gifts, federal funds, state appropriations, and other moneys for deposit in the energy loan fund or may fund the energy loan fund in accordance with section 93.20A.

4. For the purpose of this section, "loans" means loans, leases, or alternative financing arrangements.

5. ~~A school district, community college, area education agency, city, or county~~ The state, state agencies, political subdivisions of the state, school districts, area education agencies, and community colleges shall design and construct the most energy cost-effective facilities feasible and shall use the financing made available by the department to cover the incremental costs above minimum building code energy efficiency standards of purchasing energy efficient devices and materials unless other lower cost financing is available. As used in this section, "facility" means a structure that is heated or cooled by a mechanical or electrical system, or any system of physical operation that consumes energy to carry out a process.

6. ~~The department shall not require a school district, community college, area education agency, city, or county~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, and community colleges to implement a specific energy conservation measure identified in a comprehensive engineering analysis if the political subdivision entity which prepared the analysis demonstrates to the department that the facility which is the subject of the energy conservation measure is unlikely to be used or operated for the full period of the expected payback of the energy conservation measure.

Sec. 9. Section 93.20A, Code 1991, is amended to read as follows:

93.20A SELF-LIQUIDATING FINANCING.

1. ~~The department of natural resources may enter into financing agreements with school districts, community colleges, area education agencies, cities, or counties~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, or nonprofit organizations in order to provide the financing to pay the costs of furnishing energy conservation measures. The provisions of section 93.20 defining eligible energy conservation measures and the method of repayment of the loans apply to financings under this section.

The financing agreement may contain provisions, including interest, term, and obligations to make payments on the financing agreement beyond the current budget year, as may be agreed upon between the department of natural resources and the school district, community college, area education agency, city, or county ~~the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, or nonprofit organizations.~~

2. For the purpose of funding its obligation to furnish moneys under the financing agreements, or to fund the energy loan fund created in section 93.20, the treasurer of state, with the assistance of the department of natural resources, or the treasurer of state's duly authorized agents or representatives, may incur indebtedness or enter into master lease agreements or other financing arrangements to borrow to accomplish energy conservation measures, or the department of natural resources may enter into master lease agreements or other financing arrangements to permit ~~school districts, area education agencies, community colleges, cities, or counties~~ the state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, or nonprofit organizations to borrow sufficient funds to accomplish the energy conservation measure. The obligations may be in such form, for such term, bearing such interest and containing such provisions as the department of natural resources, with the assistance of the treasurer of state, deems necessary or appropriate. Funds remaining after the payment of all obligations have been redeemed shall be paid into the energy loan fund.

3. ~~School districts, community colleges, area education agencies, cities, or counties~~ The state, state agencies, political subdivisions of the state, school districts, area education agencies, community colleges, and nonprofit organizations may enter into financing agreements and issue obligations necessary to carry out the provisions of the chapter. Chapter 75 shall not be applicable.

Sec. 10. NEW SECTION. 93.42 EXIT SIGNS — STANDARDS.

The department shall adopt rules which require the use of compact fluorescent bulbs in exit signs at the time of replacement, but no later than July 1, 2001. Prior to the adoption of rules,

the department shall promote, through educational materials, the use of compact fluorescent bulbs or lighting of greater efficiency in exit signs.

Sec. 11. NEW SECTION. 93.44 PLUMBING PRODUCTS EFFICIENCY STANDARDS.

1. The department shall adopt rules which prescribe water use standards for each product classified as a covered product under this section. The standards adopted shall be designed to achieve the maximum efficiency of water use which the department determines is technologically and economically feasible. The department shall consult with the state building code commissioner, the Iowa department of public health, and the plumbing manufacturers' institute, and shall review all applicable provisions under chapter 103A and chapter 135 in establishing the standards.

2. A person who knowingly violates this section is subject to a civil penalty of not more than one hundred dollars for each violation. Local government subdivisions which enforce the standards adopted under this section may collect and utilize receipts from the penalties imposed for building code inspections and enforcement of this section.

3. For the purposes of this section, "covered products" means water closets, urinals, showerheads, lavatory faucets and replacement aerators, and kitchen faucets and replacement aerators.

Sec. 12. NEW SECTION. 93A.1 MIDWEST ENERGY COMPACT.

The midwest energy compact is enacted into law and entered into with all other states which legally join in the compact in substantially the following form:

INTERSTATE COMPACT ON ENERGY
ARTICLE I – PURPOSE

It is the purpose of this compact to protect, preserve, and enhance:

- a. The economic and general welfare of citizens of the joining states by increasing energy efficiency and energy independence.
- b. The economies and very existence of local communities in such states, the economies of which are dependent upon imported energy sources.

ARTICLE II – COMMISSION

a. Organization and management

1. There is hereby created an agency of the member states to be known as the interstate midwest energy commission, hereinafter called the commission. The commission shall consist of three residents of each member state who shall have a background in energy efficiency and who shall be appointed as follows: One member appointed by the governor, who shall serve at the pleasure of the governor; one senator appointed in the manner prescribed by the senate of the state, except that in Iowa the appointment shall be made by the president of the senate, after consultation with the majority leader and the minority leader of the senate, and except that two senators may be appointed by the governor of the state of Nebraska from the unicameral legislature of the state of Nebraska; and one member of the house of representatives appointed in the manner prescribed by the house of representatives of the state. The member first appointed by the governor shall serve for a term of one year and the senator and representative first appointed shall each serve for a term of two years. Thereafter all members appointed shall serve for two-year terms. The attorneys general of member states or assistants designated by the attorneys general shall be nonvoting members of the commission.

2. Each member shall be entitled to one vote. A member must be present to vote and no voting by proxy shall be permitted. The commission shall not act unless a majority of the voting members are present, and no action shall be binding unless approved by a majority of the total number of voting members present.

3. The commission shall be a body corporate of each member state and shall adopt an official seal to be used as it may provide.

4. The commission shall hold an annual meeting and other regular meetings as its bylaws may provide and special meetings as its executive committee may determine. The commission bylaws shall specify the dates of the annual and any other regular meetings, and shall provide for the giving of notice of annual, regular, and special meetings. Notices of special meetings shall include the reasons therefor and an agenda of the items to be considered.

5. The commission shall elect annually, from among its voting members, a chairperson, a vice chairperson, and a treasurer. The commission shall appoint an executive director who shall serve at its pleasure, and shall fix the duties and compensation of the director. The executive director shall be secretary of the commission. The commission shall make provision for the bonding of those of its officers and employees as it may deem appropriate.

6. Irrespective of the civil service, personnel, or other merit system laws of any member state, the executive director shall appoint or discharge personnel as may be necessary for the performance of the functions of the commission and shall fix, with the approval of the commission, their duties and compensation. The commission bylaws shall provide for personnel policies and programs. The commission may establish and maintain, independently of or in conjunction with any one or more of the member states, a suitable retirement system for its full-time employees. Employees of the commission shall be eligible for social security coverage in respect of old age and survivors insurance provided that the commission takes steps as may be necessary pursuant to federal law to participate in the program of insurance as a governmental agency or unit. The commission may establish and maintain or participate in additional programs of employee benefits as may be appropriate. The commission may borrow, accept, or contract for the services of personnel from any state, the United States, or any other governmental entity.

7. The commission may accept for any of its purposes and functions any and all donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any governmental entity, and may utilize and dispose of the same.

8. The commission may establish one or more offices for the transacting of its business.

9. The commission shall adopt bylaws for the conduct of its business. The commission shall publish its bylaws in convenient form, and shall file a copy of the bylaws and any amendments thereto with the appropriate agency or officer in each of the member states.

10. The commission annually shall make to the governor and legislature of each member state a report covering its activities for the preceding year. Any donation or grant accepted by the commission or services borrowed shall be reported in the annual report of the commission, and shall include the nature, amount, and conditions, if any, of the donation, gift, grant, or services borrowed and the identity of the donor or lender. The commission may make additional reports as it may deem desirable.

b. Committees

1. The commission may establish committees from its membership as its bylaws may provide for the carrying out of its functions.

ARTICLE III — POWERS AND DUTIES OF COMMISSION

a. The commission shall conduct comprehensive and continuing studies and investigations of energy efficiency measures and their relationship to and effect upon the citizens and economies of the member states.

b. The commission shall make recommendations for the correction of weaknesses and solutions to problems in present energy efficiency measures or the development of alternatives thereto, including the development, drafting, and recommendation of proposed state or federal legislation.

c. The commission is hereby authorized to do all things necessary and incidental to the administration of its functions under this compact.

ARTICLE IV — FINANCE

a. The commission shall submit to the governor of each member state a budget of its estimated expenditures for the period required by the laws of that state for presentation to the legislature of that state.

b. The moneys necessary to finance the general operations of the commission not otherwise provided for in carrying forth its duties, responsibilities, and powers as stated herein shall be appropriated to the commission by the member states, when authorized by the respective legislatures. Appropriations by member states for the financing of the operations of the commission in the initial biennium of the compact shall be in the amount of fifty thousand dollars for each member state. Thereafter the total amount of appropriations requested shall be apportioned among the member states in the manner determined by the commission. Failure of a member state to provide its share of financing is cause for the state to lose its membership in the compact.

c. The commission shall not incur any obligations of any kind prior to the making of appropriations adequate to meet the same, nor shall the commission pledge the credit of any of the member states, except by and with the authority of the member state.

d. The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the commission.

e. The accounts of the commission shall be open for inspection at any reasonable time.

ARTICLE V — ELIGIBLE PARTIES, ENTRY INTO FORCE, WITHDRAWAL, AND TERMINATION

a. Any state contiguous to Iowa may become a member of this compact.

b. This compact shall become effective initially when enacted into law by any five states and in additional states upon their enactment of the same into law.

c. Any member state may withdraw from this compact by enacting a statute repealing the compact, but such withdrawal shall not become effective until one year after the enactment of the repealing statute and the notification of the commission thereof by the governor of the withdrawing state. A withdrawing state shall be liable for any obligations which it incurred on account of its membership up to the effective date of withdrawal, and if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it shall remain liable to the extent of that obligation.

d. This compact shall terminate one year after the notification of withdrawal by the governor of any member state which reduces the total membership in the compact to less than five states.

Sec. 13. Section 266.39C, Code 1991, is amended by adding the following new subsections:
NEW SUBSECTION. 6. The Iowa energy center shall develop a program to provide assistance to rural residents for energy efficiency efforts.

NEW SUBSECTION. 7. The Iowa energy center, in cooperation with the state department of transportation, shall conduct a feasibility study of the development and implementation of a "rail through rural Iowa" program to provide interstate passenger rail service connections. The center shall submit a report to the governor and the general assembly by January 1992 regarding the feasibility of such a program. Funding for the center derived from the assessment on the revenues of utilities pursuant to section 476.10A shall not be expended to fulfill the requirements of this subsection.

NEW SUBSECTION. 8. The Iowa energy center shall cooperate with the state board of education in developing a curriculum which promotes energy efficiency and conservation.

Sec. 14. Section 307.10, Code 1991, is amended by adding the following new subsections:
NEW SUBSECTION. 8. Promote the efforts of political subdivisions in developing energy efficient public transit systems including bus and rail systems.

NEW SUBSECTION. 9. Promote the development of rural bus systems.

NEW SUBSECTION. 10. Develop and implement a bus system subsidization program.

NEW SUBSECTION. 11. Act as a resource and referral source for vanpoolers in the state.

NEW SUBSECTION. 12. Conduct a comprehensive transportation planning study to examine pedestrian accessibility in new commercial development.

NEW SUBSECTION. 13. Establish transit accessibility impact guidelines by July 1, 1992, to be used in evaluating proposals for the construction or acquisition of publicly financed facilities.

NEW SUBSECTION. 14. Develop statistical measures to ascertain the impact of public transit systems on the minimization of motor vehicle accidents and reduction in fuel utilization by July 1, 1992, and the impact of public transit systems on the reduction of hazardous emissions of mobile sources, as identified pursuant to Title II of the federal Clean Air Act of 1990, Pub. L. No. 101-549, by July 1, 1993.

NEW SUBSECTION. 15. By July 1, 1992, create a statewide transit services marketing steering committee which includes providers, consumer advocates, and public relations representatives. The committee shall develop criteria for the evaluation of the adequacy and public awareness of transit service delivery by January 1, 1993.

Sec. 15. Section 364.24, Code 1991, is amended to read as follows:

364.24 TRAFFIC LIGHT SYNCHRONIZATION.

After July 1, 1992, all cities with more than three traffic lights within the corporate limits shall establish a traffic light synchronization program for energy efficiency in accordance with rules adopted by the state department of transportation. The state department of transportation shall adopt rules required by this section by July 1, 1990. This section does not require that a city replace lighting, which has not completed its useful life, in order to comply with the requirements of this section. However, all lighting shall be replaced, whether or not it has completed its useful life, by July 1, 2001.

Sec. 16. Section 364.23, Code 1991, is amended to read as follows:

364.23 ENERGY EFFICIENT LIGHTING REQUIRED.

All city-owned exterior flood lighting, including but not limited to, street and security lighting but not including era or period lighting which has a minimum efficiency rating of fifty-eight lumens per watt, shall be replaced, when worn-out, exclusively with high pressure sodium lighting or lighting with equivalent or better energy efficiency as approved in rules adopted by the utilities board within the utilities division of the department of commerce.

Sec. 17. Section 470.1, subsections 1 and 2, Code 1991, are amended to read as follows:

1. "Public agency" means a county, city, school district, school corporation or combination thereof or an executive board, commission, bureau, division, office or department of the state agency, political subdivision of the state, school district, area education agency, or community college.

2. "Facility" means a building having twenty thousand square feet or more of usable floor space that is heated or cooled by a mechanical or electrical system or any building, system, or physical operation which consumes more than forty thousand British thermal units (BTUs) per square foot per year.

Sec. 18. Section 470.1, Code 1991, is amended by adding the following new subsections:

NEW SUBSECTION. 8. "Commissioner" means the state building code commissioner.

NEW SUBSECTION. 9. "Department" means the department of natural resources.

NEW SUBSECTION. 10. "Director" means the director of the department of natural resources.

Sec. 19. Section 470.3, subsection 2, Code 1991, is amended to read as follows:

2. A public agency or a person preparing a life cycle cost analysis for a public agency shall consider the methods and analytical models provided by the department of natural resources and available through the state building code commissioner, which are suited to the purpose for which the project is intended. Within sixty days of final selection of a design architect or engineer, a public agency, which is also a state agency under section 19.34, shall notify the

state building code commissioner and the department of natural resources of the methodology to be used to perform the life cycle cost analysis on forms provided by the department of natural resources.

Sec. 20. Section 470.7, Code 1991, is amended to read as follows:

470.7 LIFE CYCLE COST ANALYSIS – APPROVAL.

The public agency responsible for the new construction or renovation of a public facility shall submit a copy of the life cycle cost analysis for review by the state building code commissioner who shall consult with the department of natural resources. If the public agency is also a state agency under section 19.34, comments by the department of natural resources or the state building code commissioner, including any recommendation for changes in the analysis, shall, within thirty days of receipt of the analysis, be forwarded in writing to the public agency. If either the department or the commissioner disagrees with any aspects of the life cycle cost analysis, the public agency affected shall timely respond in writing to the state building code commissioner and the department of natural resources. The response shall indicate whether the agency intends to implement the recommendations and, if the agency does not intend to implement them, the public agency shall present its reasons. The reasons may include, but are not limited to, a description of the purpose of the facility or renovation, preservation of historical architectural features, architectural and site considerations, and health and safety concerns.

Within thirty days of receipt of the response of the public agency affected, the department, the commissioner, or both, shall notify in writing the public agency affected of the department's, the commissioner's, or both's agreement or disagreement with the response. In the event of a disagreement, the department, the commissioner, or both, shall at the same time transmit the notification of disagreement with response and related papers to the executive council for resolution pursuant to section 19.34. The life cycle cost analysis process, including submittal and approval, and implementation exemption requests pursuant to section 470.8, shall be completed prior to the letting of contracts for the construction or renovation of a facility.

Sec. 21. NEW SECTION. 470.8 LIFE CYCLE COST ANALYSIS – IMPLEMENTATION AND EXEMPTIONS.

The public agency responsible for the new construction or renovation of a public facility shall implement the recommendations of the life cycle cost analysis.

The commissioner, in consultation with the director, shall, by rule, develop criteria to exempt facilities from the implementation requirements of this section. Using the criteria, the commissioner, in cooperation with the director, shall exempt facilities on a case by case basis. Factors to be considered when developing the exemption criteria shall include, but not be limited to a description of the purpose of the facility or renovation, the preservation of historical architectural features, site considerations, and health and safety concerns. The commissioner and the director shall grant or deny a request for exemption from the requirements of this section within thirty days of receipt of the request.

Sec. 22. Section 476.6, subsection 19, Code 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. A rate-regulated utility required to submit an energy efficiency plan under this subsection shall, upon the request of a state agency or political subdivision to which it provides service, provide advice and assistance regarding measures which the state agency or political subdivision might take in achieving improved energy efficiency results. The cooperation shall include assistance in accessing financial assistance for energy efficiency measures.

Sec. 23. Section 476.10A, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, any unexpended moneys remitted to the treasurer of state under this section shall be retained for the purposes

designated. Notwithstanding section 453.7, subsection 2, interest or earnings on investments or time deposits of the moneys remitted under this section shall be retained and used for the purposes designated.

Sec. 24. Section 556.18, subsection 3, Code 1991, is amended to read as follows:

3. After July 1, 1988, the treasurer of state shall annually credit ~~the first one hundred fifty thousand dollars~~ of all moneys received under section 556.4 to the energy research and development fund ~~created under section 93.14, and shall credit all additional moneys received under section 556.4 to the energy crisis fund created under section 601K.102~~ established in the energy conservation trust under section 93.11.

Sec. 25. TELECOMMUTING PILOT PROJECT — STATE EMPLOYEES. The state department of transportation, in cooperation with the department of natural resources, division of energy and geological resources, shall conduct a pilot project to implement telecommuting as an alternative for state employees, including but not limited to those whose primary duties and services are typically performed by phone or upon a computer, and who currently have access to a computer or other telecommunication equipment at work. The state department of transportation shall submit a report of the progress of the pilot project to the general assembly by January 15, 1992.

Sec. 26. Section 93.14, Code 1991, is repealed.

Sec. 27. 1990 Iowa Acts, chapter 1252, section 49, subsection 1, unnumbered paragraph 1, is amended to read as follows:

The state department of transportation, in consultation with units of local government, including representatives of cities of 200,000 or more population, cities of 50,000 or more but less than 200,000 population, and cities under 50,000 population, shall conduct, ~~conditioned upon the availability of funds,~~ a comprehensive study of the relationship between transportation planning, systems development, and management to urban and rural development, land use planning, and energy demand. The study shall include an analysis of the relationship between parking development and pricing structure and transit usage and shall include an analysis of the relationship between commercial and industrial site selection and transportation energy consumption. The purpose of the study shall be to identify opportunities to improve the long-term energy efficiency of transportation, as well as to improve traffic safety and service. The results of the study shall be reported to the general assembly and shall contain recommended policies and legislation.

Approved June 10, 1991