

~~board shall consider the volume, cost, and reliability of the major alternative gas supplies available to the utility; the cost of alternative fuels available to the utility's customers; the availability of gas in storage; the appropriate legal and regulatory actions which the utility could take to minimize the cost of purchased gas; the gas procurement practices of the utility; and other relevant factors.~~ If a utility is not taking all reasonable actions to minimize its purchase gas costs, consistent with assuring an adequate long-term supply of natural gas, the board shall not allow the utility to recover from its customers purchase gas costs in excess of those costs that would be incurred under reasonable and prudent policies and practices.

16. ~~ANNUAL ELECTRIC~~ ELECTRIC ENERGY SUPPLY AND COST REVIEW. The board shall ~~periodically~~ conduct an annual proceeding for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's procurement and contracting practices related to the acquisition of fuel for use in generating electricity. The evaluation may review the reasonableness and prudence of actions taken by a rate-regulated public utility to comply with the federal Clean Air Act Amendments of 1990, Pub. L. No. 101-549. The proceeding shall be conducted as a contested case pursuant to chapter 17A. Under procedures established by the board, the utility shall file information as the board deems appropriate. If a utility is not taking all reasonable actions to minimize its fuel and allowance transaction costs, the board shall not allow the utility to recover from its customers fuel and allowance transaction costs in excess of those costs that would be or would have been incurred under reasonable and prudent policies and practices.

Approved March 17, 1998

CHAPTER 1014

FOREIGN INVESTMENTS BY INSURANCE COMPANIES

S.F. 2279

AN ACT relating to authorized investments by insurance companies in obligations of foreign governments and foreign corporations.

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

Section 1. Section 511.8, subsection 19, unnumbered paragraph 1, Code 1997, is amended to read as follows:

Bonds or other evidences of indebtedness, not to include currency, issued, assumed, or guaranteed by a foreign government other than Canada, or by a corporation incorporated under the laws of a foreign government other than Canada. ~~Any such~~ Such governmental obligations must be valid, legally authorized and issued, and on the date of acquisition have predominantly investment qualities and characteristics as provided by rule. ~~Any such~~ Such corporate obligations must meet the qualifications established in subsection 5 ~~of this section~~ for bonds and other evidences of indebtedness issued, assumed, or guaranteed by a corporation incorporated under the laws of the United States or Canada. Foreign investments authorized by this subsection are not eligible in excess of ~~two ten~~ two percent of the legal reserve of the life insurance company or association. Investments in obligations of a foreign government other than Canada are not eligible in excess of two percent of the legal reserve in the securities of foreign governments of any one foreign nation. Investments in a corporation incorporated under the laws of a foreign government other than Canada are not

eligible in excess of two percent of the legal reserve in the securities of any one foreign corporation.

Sec. 2. Section 515.35, subsection 4, paragraph i, Code Supplement 1997, is amended to read as follows:

i. FOREIGN INVESTMENTS. Obligations of and investments in foreign countries, as follows:

(1) A company may acquire and hold other investments in foreign countries that are required to be held as a condition of doing business in those countries, so long as such investments are of substantially the same types as those eligible for investment under this section.

(2) A company ~~may shall not~~ invest ~~not~~ more than two percent of its admitted assets ~~in the obligations of foreign governments, corporations, or business trusts, or~~ in the stocks or stock equivalents of foreign corporations or business trusts, other than the stocks or stock equivalents of foreign corporations or business trusts incorporated or formed under the laws of Canada, and then only if the ~~obligations, stocks, or stock equivalents of such foreign corporations or business trusts~~ are regularly traded on the New York, London, Paris, Zurich, Hong Kong, Toronto, or Tokyo stock exchange, or a similar exchange approved by the commissioner by rule or order.

(3) A company may invest in the obligations of a foreign government other than Canada or of a corporation incorporated under the laws of a foreign government other than Canada. Any such governmental obligation must be valid, legally authorized and issued, and on the date of acquisition have predominantly investment qualities and characteristics as provided by rule. Any such corporate obligation must on the date of acquisition have investment qualities and characteristics, and must not have speculative elements which are predominant, as provided by rule. A company shall not invest more than two percent of its admitted assets in the obligations of a foreign government other than Canada. A company shall not invest more than two percent of its admitted assets in the obligations of a corporation incorporated under the laws of a foreign government other than a corporation incorporated under the laws of Canada.

(4) A company shall not invest more than ten percent of its admitted assets in foreign investments pursuant to this paragraph.

Approved March 19, 1998

CHAPTER 1015

ANATOMICAL GIFTS — HOSPITAL REIMBURSEMENT GRANTS — ANNUAL DONATION AND COMPLIANCE REPORT

S.F. 2285

AN ACT relating to anatomical gifts by modifying certain qualification requirements for hospital reimbursement grants and requiring submission of an annual donation and compliance report.

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

Section 1. Section 142C.15, subsection 4, paragraphs b and c, Code 1997, are amended to read as follows:

b. Not more than thirty percent of the moneys in the fund annually may be expended in