

Jenkins  
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HSB 575

COMMERCE AND REGULATION

Substituted by

HOUSE FILE \_\_\_\_\_

SF 2432

BY (PROPOSED COMMITTEE ON  
COMMERCE AND REGULATION  
BILL BY CHAIRPERSON  
HANSEN)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the Iowa energy center, including changes  
2 relating to salary adjustments, and promotion and  
3 administration of the alternative energy revolving loan  
4 program.

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

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1 Section 1. Section 266.39C, subsection 3, Code 2001, is  
2 amended to read as follows:

3 3. Iowa state university of science and technology shall  
4 employ a director for the center, who shall be appointed by  
5 the president of Iowa state university of science and  
6 technology. The director of the center shall employ necessary  
7 research and support staff. The director and staff shall be  
8 employees of Iowa state university of science and technology.  
9 No more than seven hundred thousand dollars of the funds made  
10 available by appropriation from state revenues in any one year  
11 shall be expended by the center for the salaries and benefits  
12 of the employees of the center, including the salary and  
13 benefits of the director. The limit on expenditures for  
14 salaries and benefits shall be adjusted annually by a  
15 percentage equal to the average percentage salary adjustment  
16 approved annually by the state board of regents for  
17 professional and scientific employees at Iowa state university  
18 of science and technology. The remainder of the funds  
19 appropriated from state funds shall be used to sponsor  
20 research grants and projects submitted on a competitive basis  
21 by Iowa colleges and universities and private nonprofit  
22 agencies and foundations. The center may also solicit  
23 additional grants and funding from public and private  
24 nonprofit agencies and foundations.

25 The director shall prepare an annual report.

26 Sec. 2. Section 266.39C, subsection 6, Code 2001, is  
27 amended by striking the subsection.

28 Sec. 3. Section 476.10A, Code 2001, is amended to read as  
29 follows:

30 476.10A FUNDING FOR IOWA ENERGY CENTER AND CENTER FOR  
31 GLOBAL AND REGIONAL ENVIRONMENTAL RESEARCH.

32 1. a. The board shall direct all gas and electric  
33 utilities to remit to the treasurer of state one-tenth of one  
34 percent of the total gross operating revenues during the last  
35 calendar year derived from their intrastate public utility

1 operations. The board shall by rule provide a schedule for  
2 remittances ~~which shall require that the first remittance be~~  
3 ~~made not before July 1, 1991.~~

4 b. The amounts collected pursuant to this section shall be  
5 in addition to the amounts permitted to be assessed pursuant  
6 to section 476.10. The board shall allow inclusion of these  
7 amounts in the budgets approved by the board pursuant to  
8 section 476.6, subsection 19, paragraph "c".

9 c. (1) Eighty-five percent of the remittances collected  
10 pursuant to this section is appropriated to the Iowa energy  
11 center created in section 266.39C.

12 (2) Fifteen percent of the remittances collected pursuant  
13 to this section is appropriated to the center for global and  
14 regional environmental research established by the state board  
15 of regents.

16 2. Notwithstanding section 8.33, any unexpended moneys  
17 remitted to the treasurer of state under this section shall be  
18 retained for the purposes designated. Notwithstanding section  
19 12C.7, subsection 2, interest or earnings on investments or  
20 time deposits of the moneys remitted under this section shall  
21 be retained and used for the purposes designated, pursuant to  
22 section 476.46.

23 3. The Iowa energy center and the center for global and  
24 regional environmental research shall each provide a written  
25 annual report to the utilities board ~~which~~ that describes each  
26 center's activities and the results that each center has  
27 accomplished. Each report shall include an explanation of  
28 initiatives and projects of importance to the state of Iowa.

29 Sec. 4. Section 476.46, subsection 2, Code 2001, is  
30 amended to read as follows:

31 2. a. An alternate energy revolving loan fund is created  
32 in the office of the treasurer of state to be administered by  
33 the Iowa energy center.

34 b. The fund shall include moneys remitted to the fund  
35 pursuant to subsection 3 and any other moneys appropriated or

1 otherwise directed to the fund.

2 c. Moneys in the fund shall be used to provide loans for  
3 the construction of alternate energy production facilities or  
4 small hydro facilities as defined in section 476.42.

5 d. (1) A gas or electric utility ~~which~~ that is not  
6 required to be rate-regulated shall not be eligible for a loan  
7 under this section.

8 (2) A facility shall be eligible for no more than two  
9 hundred fifty thousand dollars in loans outstanding at any  
10 time under this program.

11 e. (1) Each loan shall be for a period not to exceed  
12 twenty years, shall bear no interest, and shall be repayable  
13 to the fund created under this section in installments as  
14 determined by the Iowa energy center. The interest rate upon  
15 delinquent payments shall accelerate immediately to the  
16 current legal usury limit.

17 (2) Any loan made pursuant to this program shall become  
18 due for payment upon sale of the facility for which the loan  
19 was made.

20 (3) Interest on the fund shall be deposited in the fund.  
21 A portion of the interest on the fund, not to exceed fifty  
22 percent of the total interest accrued, shall be used for  
23 promotion and administration of the fund.

24 f. Section 8.33 shall not apply to the moneys in the fund.

25 EXPLANATION

26 This bill amends Code sections in Code chapters 266 and 476  
27 that relate to the Iowa energy center.

28 The bill amends Code section 266.39C to provide that the  
29 current \$700,000 limit on salary expenditures for the Iowa  
30 energy center shall be adjusted annually according to the  
31 salary adjustment approved by the state board of regents for  
32 professional and scientific employees at Iowa state university  
33 of science and technology.

34 The bill amends Code section 476.46, relating to the  
35 alternate energy revolving fund, to provide that up to 50

1 percent of the interest earned on the fund shall be used for  
 2 promotion and administration of the fund. Related changes are  
 3 made to language in Code section 476.10A. Both of those  
 4 provisions are also subdivided into subsections, paragraphs,  
 5 and subparagraphs, and other grammatical changes have been  
 6 made, and date provisions have been removed and language  
 7 updated.

8 The bill also deletes Code section 266.39C, subsection 6,  
 9 which relates to a study and report on rural rail feasibility  
 10 that was completed in 1992.

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FEB 19 2002  
APPROPRIATIONS

HOUSE FILE 2432  
BY COMMITTEE ON COMMERCE  
AND REGULATION

(SUCCESSOR TO HSB 575)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
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