

FILED MAR 9 2005

SENATE FILE 329
BY COMMITTEE ON NATURAL
RESOURCES AND ENVIRONMENT

(SUCCESSOR TO SSB 1130)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to water quality, by eliminating certain public
2 water supply system permit fee requirements, creating a water
3 quality needs and infrastructure program and fund, providing
4 for an advisory committee, and making appropriations.

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

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SC 329

1 Section 1. Section 455B.183A, subsection 1, Code 2005, is
2 amended to read as follows:

3 1. A water quality protection fund is created in the state
4 treasury under the control of the department. The fund
5 consists of moneys appropriated to the fund by the general
6 assembly, ~~moneys-deposited-into-the-fund-from-fees-described~~
7 ~~in-subsection-2,~~ moneys deposited into the fund from fees
8 collected pursuant to sections 455B.187 and 455B.190A, and
9 other moneys available to and obtained or accepted by the
10 department from the United States government or private
11 sources for placement in the fund. The fund is divided into
12 three accounts, including the administration account, the
13 public water supply system account, and the private water
14 supply system account. Moneys in the administration account
15 are appropriated to the department for purposes of carrying
16 out the provisions of this division, which relate to the
17 administration, regulation, and enforcement of the federal
18 Safe Drinking Water Act. Moneys in the public water supply
19 system account are appropriated to the department to support
20 the program to assist supply systems, as provided in section
21 455B.183B. Moneys in the private water supply system account
22 are appropriated to the department for the purpose of
23 supporting the programs established to protect private
24 drinking water supplies as provided in sections 455B.187,
25 455B.188, 455B.190, and 455B.190A.

26 Sec. 2. Section 455B.183A, subsection 2, Code 2005, is
27 amended by striking the subsection.

28 Sec. 3. NEW SECTION. 455B.183D WATER QUALITY NEEDS AND
29 INFRASTRUCTURE PROGRAM -- FUND.

30 1. The department shall establish and administer a water
31 quality needs and infrastructure program. The program shall
32 provide financial assistance for the administration,
33 regulation, and enforcement of the federal Safe Drinking Water
34 Act, source water protection grants, and infrastructure loans
35 to water systems.

1 2. a. A water quality needs and infrastructure fund is
2 created in the state treasury under the control of the
3 department. Notwithstanding section 423.2, subsection 10,
4 revenues received from the taxation of water pursuant to
5 section 423.2, subsection 2, shall be deposited in the water
6 quality needs and infrastructure fund as provided in this
7 section. For the fiscal year beginning July 1, 2005, and
8 ending June 30, 2006, twenty percent of the revenues collected
9 shall be deposited in the fund. For the fiscal year beginning
10 July 1, 2006, and ending June 30, 2007, forty percent of the
11 revenues collected shall be deposited in the fund. For the
12 fiscal year beginning July 1, 2007, and ending June 30, 2008,
13 sixty percent of the revenues collected shall be deposited in
14 the fund. For the fiscal year beginning July 1, 2008, and
15 ending June 30, 2009, eighty percent of the revenues collected
16 shall be deposited in the fund. For the fiscal year beginning
17 July 1, 2009, and each fiscal year thereafter, one hundred
18 percent of the revenues collected shall be deposited in the
19 fund.

20 b. Notwithstanding section 8.33, moneys in the water
21 quality needs and infrastructure fund at the end of each
22 fiscal year shall not revert to any other fund but shall
23 remain in the fund for expenditure in subsequent fiscal years.
24 Notwithstanding section 12C.7, interest and earnings on moneys
25 in the fund shall be credited to the fund.

26 c. Within the water quality needs and infrastructure fund,
27 the department shall create the following accounts:

28 (1) A water quality protection account.

29 (2) A drinking water infrastructure revolving loan
30 account.

31 (3) A source water protection account.

32 d. Moneys deposited in the fund in a fiscal year pursuant
33 to paragraph "a" shall be allocated as follows:

34 (1) The first two million dollars shall be deposited in
35 the water quality protection account and is appropriated to

1 the department to be used for purposes of enforcing provisions
2 of the federal Safe Drinking Water Act as delegated to the
3 state.

4 (2) Any moneys in excess of two million dollars shall be
5 divided and allocated as follows:

6 (a) Fifty percent shall be deposited in the drinking water
7 infrastructure revolving loan account and is appropriated to
8 the department to be used for purposes of providing low-
9 interest loans to public water systems and community water
10 systems which can comply with or have the potential to comply
11 with the financial, technical, and managerial criteria of a
12 viability assessment and remain in compliance with
13 requirements of the federal Safe Drinking Water Act.

14 (b) Fifty percent shall be deposited in the source water
15 protection account and is appropriated to the department to be
16 used for the purpose of building capacity for wellhead and
17 watershed protection initiatives.

18 Sec. 4. ADVISORY COMMITTEE. The department of natural
19 resources shall form an advisory committee for purposes of
20 assisting in the development of rules to administer this Act.
21 The advisory committee shall assist in the development of
22 qualification criteria for the approval of programs and
23 projects receiving financial assistance under this Act. The
24 advisory committee shall consist of representatives from the
25 following entities:

- 26 1. The department of natural resources.
- 27 2. The department of agriculture and land stewardship.
- 28 3. The college of agriculture at Iowa state university of
29 science and technology.
- 30 4. The college of public health at the university of Iowa.
- 31 5. The Iowa association of municipal utilities.
- 32 6. The Iowa association of water agencies.
- 33 7. The Iowa section of the American water works
34 association.
- 35 8. The Iowa rural water association.

- 1 9. The Iowa water pollution control association.
- 2 10. The Iowa league of cities.
- 3 11. The natural resources conservation service of the
- 4 United States department of agriculture.
- 5 12. The Iowa environmental council.
- 6 13. Iowa agstate group.

7 EXPLANATION

8 This bill creates a water quality needs and infrastructure
9 program and fund.

10 The bill eliminates a provision requiring the environmental
11 protection commission to adopt certain fees for certain
12 permits required for public water supply systems.

13 The bill requires the department of natural resources to
14 establish and administer a water quality needs and
15 infrastructure program. The bill provides that the program
16 shall provide financial assistance for the administration,
17 regulation, and enforcement of the federal Safe Drinking Water
18 Act, source water protection grants, and infrastructure loans
19 to water systems.

20 The bill creates a water quality needs and infrastructure
21 fund in the state treasury under the control of the
22 department. The bill provides that a certain percentage of
23 the revenues received from the taxation of water shall be
24 deposited in the water quality needs and infrastructure fund.
25 The percentage of revenues to be deposited increases by 20
26 percent for each fiscal year beginning July 1, 2005, and
27 ending June 30, 2010.

28 The bill creates a water quality protection account, a
29 drinking water infrastructure revolving loan account, and a
30 source water protection account within the fund. The bill
31 appropriates moneys to the department by allocating the first
32 \$2 million to be deposited in the water quality protection
33 account to be used for purposes of enforcing provisions of the
34 federal Safe Drinking Water Act as delegated to the state.
35 Any moneys in excess of \$2 million are appropriated by

1 allocating 50 percent to be deposited in the drinking water
2 infrastructure revolving loan account to be used for purposes
3 of providing low-interest loans to public water systems and
4 community water systems which can comply with or have the
5 potential to comply with the financial, technical, and
6 managerial criteria of a viability assessment and remain in
7 compliance with requirements of the federal Safe Drinking
8 Water Act, and 50 percent to be deposited in the source water
9 protection account to be used for the purpose of building
10 capacity for wellhead and watershed protection initiatives.

11 The bill provides that the department shall form an
12 advisory committee for purposes of assisting in the
13 development of administrative rules and in the development of
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15 projects receiving financial assistance under the bill.

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Bolkeom co-chair
Houser co-chair
Wood
Miller

SSB# 1130

Natural Resources

Succeeded By

SENATE FILE SS/HF 329
BY (PROPOSED COMMITTEE ON NATURAL
RESOURCES AND ENVIRONMENT BILL
BY CO-CHAIRPERSON BLACK)

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