

SF 2389 Infrastructure Appropriations

[SF 2389](#) makes appropriations from various funds, including the Rebuild Iowa Infrastructure Fund, the Technology Reinvestment Fund, the Revenue Bonds Capitals Fund, the Revenue Bonds Capitals II Fund created in this Act, the Prison Bonding Fund, the School Infrastructure Fund, and the Iowa Comprehensive Petroleum Underground Storage Tank Fund, to various state agencies, including DOT. SF 2389 also includes extensive policy provisions, many related to land use planning and floodplain management, flood recovery and prevention, and small business assistance. Various sections amend previous Iowa Acts and make changes to prior appropriations.

A detailed fiscal analysis of SF 2389, prepared by the Legislative Services Agency (LSA), is available at the following link: [SF 2389](#). Various sections of interest to DOT are discussed below:

Division I – Rebuild Iowa Infrastructure Fund (RIIF)

Section 1

Appropriates funds from the RIIF to various state agencies for FY 2011.

- Subsection 1 appropriates funding to the Department of Administrative Services (DAS), including: \$3.7 million for distribution to other governmental entities to pay costs associated with the Integrated Information for Iowa (I-3) system; and \$200,000 for a free shuttle service between the capitol complex and downtown Des Moines, with up to \$50,000 of this amount to be used to encourage state employees to use Des Moines Area Regional Transit Authority (DART) transit services.
- Subsection 7 appropriates \$2 million to the Department of Natural Resources (DNR) for floodplain management and dam safety, including improving floodplain mapping using Light Detection and Ranging (LiDAR) technology, and developing a statewide flood control plan.
- Subsection 13 appropriates \$750,000 to DOT for infrastructure improvements at general aviation airports. This maintains the current level of funding.

Section 2 Subsection 3 appropriates \$6.5 million for FY 2012 to DOT for deposit in the Passenger Rail Service Revolving Fund to be used for matching federal funding available through the federal Passenger Rail Investment and Improvement Act (PRIIA) of 2008. States that it is the intent of the General Assembly to fund up to \$20 million over a four-year period to fully fund the state commitment for matching federal funding available through PRIIA.

Section 3 Provides that the funds appropriated in Division I remain available for expenditure for the purposes designated until June 30, 2014, unless specifically provided otherwise. However, if the project or projects for which the appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys revert at the close of the fiscal year in which the project was completed.

Division III – Revenue Bonds Capitals Fund (RBC Fund) Appropriations

Section 6 Appropriates moneys from the RBC Fund to various state agencies for FY 2011.

- Subsection 3 appropriates \$2 million to the Department of Cultural Affairs for grants to Iowa Great Places Program projects.
- Subsection 5 appropriates \$4 million to the Department of Economic Development for transfer to DART for construction of a regional transit hub in Des Moines.

Division IV – Revenue Bonds Capitals II Fund (RBC2 Fund) Appropriations

Section 9 Creates new Code section 12.88A to establish the RBC2 Fund. The fund has the same status report requirements as other infrastructure funds: annually on or before January 15 of each year, a state agency that receives an appropriation from the RBC2 Fund shall report to LSA and the Department of Management on the status of all projects completed or in progress. The report shall include a description of the project, the work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date that the project was completed or the estimated completion date of the project.

Section 9 (continued)

The RBC2 Fund will consist of \$150 million in net proceeds from revenue bonds issued sometime after April 2010. The 2010 legislative session adjusted the bonds authorized under SF 477 (Phase III Bonding Act – 2009 session) by changing them from appropriation bonds to revenue bonds, and increasing the amount of net proceeds from \$105 million to \$150 million. Debt service payments on the bonds will reduce revenue deposits to the RIIF. *This section takes effect upon enactment, April 26, 2010.*

Section 10

Appropriates funds from the RBC2 Fund to various state agencies for FY 2011.

- Subsection 4 appropriates \$30.9 million in funding to the Iowa Finance Authority/I-JOBS Board for specific local infrastructure, disaster relief and rebuilding, flood mitigation, and construction projects; and \$30 million to the I-JOBS Board for a new disaster prevention program for grants for cities and counties that apply smart planning principles and guidelines. Division VII of this Act provides provisions related to smart planning, including the principles and guidelines. Division XVIII creates the new Disaster Prevention Smart Planning Local Grant Program that will be administered by the I-JOBS Board.
- Subsection 7 appropriates \$7.5 million to DOT for grants for rail projects including wind energy rail port projects consistent with the purposes of DOT's Railroad Revolving Loan and Grant Fund. The grants will be available for any manufacturer but the intent is to bring wind energy manufacturers to Iowa by making rail improvements that will help manufacturers transport wind turbines, nacelles, and other equipment related to providing wind energy. Projects receiving grant funding must be located in or adjacent to a rail industrial park, serve multiple industrial clients, accommodate building and loading a complete unit train, have connection tracks with adequate clearance to transport large components, and have short unimpeded access for oversized wind components to a divided four-lane highway. Establishes other funding requirements.

Section 10 (continued)	<ul style="list-style-type: none"> • Subsection 7 also appropriates \$2 million for the Public Transit Infrastructure Grant Program established in Code section 324A.6A, \$1.5 million for infrastructure improvements at commercial service airports within the state, and \$10 million for infrastructure projects relating to functionally obsolete and structurally deficient bridges. <i>The FY 2011 bridge funding replaces \$10 million in FY 2010 bridge safety funding that is deappropriated in Division XVII of SF 2389.</i>
Section 11	Requires appropriations from the RBC2 Fund be spent in a manner that does not jeopardize the tax-exempt status of bonds issued by the state treasurer. The RBC2 Fund moneys may not be used for administration or planning of programs.
Section 12	Provides that the funds appropriated in Division IV remain available for expenditure for the purposes designated until June 30, 2014, unless specifically provided otherwise. However, if the project or projects for which the appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys revert at the close of the fiscal year in which the project was completed.
Section 13	Provides that Section 9 of this Act establishing the RBC2 Fund takes effect upon enactment, April 26, 2010. <i>Division VI – Iowa Comprehensive Petroleum Underground Storage Tank Fund – Department of Transportation</i>
Section 16	Appropriates \$2 million for FY 2011 from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to DOT for deposit in the Passenger Rail Service Revolving Fund. Provides that the funding shall be coupled with the remaining unobligated balance from the 2009 passenger rail appropriation for a total commitment of \$3.5 million to be used for matching federal funding available through the federal Passenger Rail Investment and Improvement Act (PRIIA) of 2008.

Division VII – Smart Planning

- Section 17 Creates new Code section 18B.1 which outlines ten smart planning principles, including collaboration; efficiency, transparency, and consistency; clean, renewable, and efficient energy; occupational diversity; revitalization; housing diversity; community character; natural resources and agricultural protection; sustainable design; and transportation diversity.
- Section 18 Creates new Code section 18B.2 to address local comprehensive planning and development guidelines and requires cities and counties to consider the smart planning principles when developing or amending comprehensive plans or other local land development regulations, including airport zoning regulations under Code section 329.3. Identifies other information that a city or county may consider. Requires that a city or county comprehensive plan developed using the guidelines in this section address prevention and mitigation of, as well as response to and recovery from, a catastrophic flood.
- Sections 19-24 Address the smart planning principles as they relate to metropolitan or regional planning, airport zoning regulations, county zoning regulations and comprehensive planning, and city zoning regulations and comprehensive planning. The changes amend existing planning provisions to include the new provisions in Code sections 18B.1 and 18B.2.
- Section 25 Establishes the Iowa Smart Planning Task Force consisting of 29 voting members and four ex-officio members from the General Assembly. The voting members consist of the directors or directors' designees of 14 state agencies, including DOT, and 15 members from academia, local government, associations, industry, and other representatives. The Task Force is required to meet at least four times before November 15, 2010, complete specified duties including developing a set of recommendations consistent with the Iowa smart planning principles, and submit a report with goals, recommendations, and other information to the Governor and the General Assembly on or before November 15, 2010. The Task Force is dissolved on December 31, 2012.

Division XI – Internet Site for Business Assistance

Section 38 Requires the Department of Economic Development (DED), in consultation with other state agencies that provide assistance to small businesses, to create a business assistance Web site that provides specified business and financial information, and appropriates \$20,000 to DED for the development of the Web site.

Division XIV – Alternative Public Project Delivery Study

Section 45 Creates the Alternative Public Project Delivery Interim Study Committee to study the use of alternative project delivery for public projects (such as the design-build process) at institutions under the control of the Board of Regents. The Committee must meet twice during the 2010 legislative interim and submit a report to the General Assembly with findings and any recommendations by January 15, 2011.

Division XV – Floodplain Mapping

Section 46 Requires DNR to enter into an agreement with the University of Iowa for development of new floodplain maps by June 30, 2014, by the Iowa Flood Center. The Iowa Flood Center will develop hydrologic models for physically-based flood frequency estimation and real-time forecasting of floods, including hydraulic models of floodplain inundation mapping. *This Division takes effect upon enactment, April 26, 2010.*

*Division XVI – Department of Administrative Services:
Office Space – State Fleet*

Sections 48-49 Relate to DAS and use of office space on and off the state capitol complex. Requires DAS to issue a request for proposals concerning the availability and cost of office space for state employees in downtown Des Moines and other areas in close proximity to the state capitol complex, and to conduct a cost-benefit analysis of utilizing such space in lieu of replacing or renovating the Wallace Building or moving people into the former Mercy Capitol building. Requires DAS to submit written reports to the General Assembly concerning the request for proposals and the cost-benefit analysis by January 14, 2011. *The Governor item vetoed subsection 2 of Section 49 which prohibited DAS from relocating state agencies to the former Mercy Capitol building prior to submitting the cost-benefit analysis report to the General Assembly.*

Division XVII – Changes to Prior Appropriations

Section 67 Deappropriates \$10 million in FY 2010 bridge safety funding that was appropriated from the RBC Fund to DOT during the 2009 session. (*Division IV restores the \$10 million as an FY 2011 appropriation from the RBC2 Fund.*) This section strikes language stating that the 2009 bridge safety appropriation was "for deposit into the bridge safety fund created in section 313.68." All revenue bond funding, including the bond funding for bridge infrastructure, was retained and drawn down from the RBC Fund per recommendation from the state treasurer.

Section 71 Makes a technical correction to clarify that the FY 2010 RIIF appropriation to DOT for passenger rail services is deposited in the Passenger Rail Service Revolving Fund established in Code section 327J.2.

Section 73 Directs that \$2 million in FY 2011 funding appropriated to DOT pursuant to 2009 Iowa Acts, chapter 184, section 2, for deposit to the Railroad Revolving Loan and Grant Fund, be allocated to the City of Davenport for a rail trans-load facility, if the city receives a federal match for the project.

Section 74 Provides that Division XVII takes effect upon enactment, April 26, 2010.

Division XVIII – Miscellaneous Code Changes

Section 79 Amends Code section 12.87 to allow the state treasurer to issue and sell bonds which provide net proceeds of not more than \$695 million, rather than \$545 million, to account for the \$150 million in proceeds expected from the FY 2011 bond issuance. This section takes effect upon enactment, April 26, 2010.

Section 87 Amends Code section 16.193 to add reporting requirements related to the I-JOBS program, and requires the Iowa Finance Authority to report quarterly to the Governor and the General Assembly concerning the data, as well as maintain an Internet site that allows citizens to track project data on a county by county basis. Requires that the report include the names and states of residence of the project contractors for each project, and the state of residence of the contractors' employees. *This section takes effect upon enactment, April 26, 2010, and applies to projects approved on, before, and after April 26, 2010.*

