

2/8/96 Comm. & Info Policy

FILED FEB 7 1996

2/20/96 Do Pass  
H. 3-11-96 Technology

SENATE FILE **2147**

BY McLAREN H. 3/21/96 Do Pass

4/16/96 Motion to R.F. by  
General Prevailed  
(p. 1529) 4/29/96 motion Prevailed

Passed Senate, Date 3/6/96 (p. 655)

Passed House, Date 4/1/96 (p. 1196)

Vote: Ayes 45 Nays 5

Vote: Ayes 75 Nays 22

Approved May 30, 1996

Re Passed 4-16-96 (p. 1409)  
Vote 28-21

Repassed 4/30/96 (p. 1948)  
Vote 92-3

p. 1531 Repassed 4-29-96 A BILL FOR  
Vote 39-7

1 An Act increasing the membership of the Iowa telecommunications  
2 and technology commission.

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

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S.F. 2147

1 Section 1. Section 8D.3, subsection 2, Code Supplement  
2 1995, is amended to read as follows:

3 2. MEMBERS. The commission is composed of ~~three~~ five  
4 members appointed by the governor and subject to confirmation  
5 by the senate. Members of the commission shall not serve in  
6 any manner or be employed by an authorized user of the network  
7 or by an entity seeking to do or doing business with the  
8 network. The governor shall appoint a member as the  
9 chairperson of the commission from the ~~three~~ five members  
10 appointed by the governor, subject to confirmation by the  
11 senate. Members of the commission shall serve six-year  
12 staggered terms as designated by the governor and appointments  
13 to the commission are subject to the requirements of sections  
14 69.16, 69.16A, and 69.19. Vacancies shall be filled by the  
15 governor for the duration of the unexpired term. The salary  
16 of the members of the commission shall be twenty thousand  
17 dollars per year, except that the salary of the chairperson  
18 shall be twenty-five thousand dollars per year. Members of  
19 the commission shall also be reimbursed for all actual and  
20 necessary expenses incurred in the performance of duties as  
21 members. Meetings of the commission shall be held at the call  
22 of the chairperson of the commission. In addition to the  
23 members appointed by the governor, the auditor of state or the  
24 auditor's designee shall serve as a nonvoting, ex officio  
25 member of the commission.

26 The benefits and salary paid to the members of the  
27 commission shall be adjusted annually equal to the average of  
28 the annual pay adjustments, expense reimbursements, and  
29 related benefits provided under collective bargaining  
30 agreements negotiated pursuant to chapter 20.

31 Sec. 2. INITIAL APPOINTMENTS OF NEW COMMISSION MEMBERS.

32 The two new members of the Iowa telecommunications and  
33 technology commission provided for in this Act shall be  
34 appointed on or before July 1, 1996, to the following terms:

35 1. One member shall be appointed for a term of five years.



## SENATE FILE 2147

H-5705

1 Amend Senate File 2147, as passed by the Senate, as  
2 follows:

3 1. By striking everything after the enacting  
4 clause and inserting the following:

5 "Section 1. Section 8D.3, subsection 2, Code  
6 Supplement 1995, is amended to read as follows:

7 2. MEMBERS. The commission is composed of ~~three~~  
8 five members, of which four members are appointed by  
9 the governor and subject to confirmation by the  
10 senate. Members of the commission shall not serve in  
11 any manner or be employed by an authorized user of the  
12 network or by an entity seeking to do or doing  
13 business with the network. Two members of the  
14 commission to be appointed by the governor, however,  
15 shall be knowledgeable in the area of

16 telecommunications technology. The governor shall  
17 appoint a member as the chairperson of the commission  
18 from the ~~three~~ four members appointed by the governor,  
19 subject to confirmation by the senate. Members of the  
20 commission shall serve six-year staggered terms as  
21 designated by the governor and appointments to the  
22 commission are subject to the requirements of sections  
23 69.16, 69.16A, and 69.19. Vacancies shall be filled  
24 by the governor for the duration of the unexpired  
25 term. The salary of the four members of the  
26 commission appointed by the governor shall be twenty  
27 thousand dollars per year, except that the salary of  
28 the chairperson shall be twenty-five thousand dollars  
29 per year. Members of the commission shall also be  
30 reimbursed for all actual and necessary expenses  
31 incurred in the performance of duties as members.  
32 Meetings of the commission shall be held at the call  
33 of the chairperson of the commission. In addition to  
34 the four members appointed by the governor, the  
35 auditor of state or the auditor's designee shall serve  
36 as a ~~nonvoting, ex-officio~~ voting member of the  
37 commission.

38 The benefits and salary paid to the members of the  
39 commission shall be adjusted annually equal to the  
40 average of the annual pay adjustments, expense  
41 reimbursements, and related benefits provided under  
42 collective bargaining agreements negotiated pursuant  
43 to chapter 20.

44 Sec. 2. Section 8D.11, subsection 1, Code 1995, is  
45 amended to read as follows:

46 1. The commission may purchase, lease-purchase,  
47 lease, and improve property, and equipment, ~~and~~  
48 ~~services~~ for telecommunications for public and private  
49 agencies and may dispose of property and equipment  
50 when not necessary for its purposes. However, the

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1 commission shall not enter into a contract for the  
2 purchase, lease-purchase, lease, or improvement of  
3 property, or equipment, ~~or services~~ for  
4 telecommunications pursuant to this subsection in an  
5 amount greater than ~~five-hundred-thousand~~ one million  
6 dollars without prior authorization by a  
7 constitutional majority of each house of the general  
8 assembly, or approval by the legislative council if  
9 the general assembly is not in session. The lease-  
10 purchase agreement may contain provisions, including  
11 interest, term, and obligations to make payments on  
12 the lease-purchase agreements, beyond the budget year  
13 in which the lease-purchase agreement is entered. For  
14 the purpose of funding its obligation to furnish  
15 moneys under a lease-purchase agreement entered into  
16 pursuant to this section, the treasurer of state, with  
17 the assistance of the Iowa telecommunications and  
18 technology commission or the treasurer of state's duly  
19 authorized agent or representative, may enter into a  
20 master lease agreement to borrow moneys to be used to  
21 purchase property or equipment for telecommunications  
22 services for public or private agencies. The  
23 obligations may be in such form, for such term,  
24 bearing such interest, and containing such provisions  
25 as the Iowa telecommunications and technology  
26 commission, in consultation with the treasurer of  
27 state, deems necessary or appropriate. The commission  
28 shall not issue any bonding or other long-term  
29 financing arrangements as defined in section 12.30,  
30 subsection 1, paragraph "b".

31 PARAGRAPH DIVIDED. The commission also shall not  
32 provide or resell communications services to entities  
33 other than public and private agencies. The public or  
34 private agency shall not provide communication  
35 services of the network to another entity unless  
36 otherwise authorized pursuant to this chapter. The  
37 commission may arrange for joint use of available  
38 services and facilities, and may enter into leases and  
39 agreements with private and public agencies with  
40 respect to the Iowa communications network, and public  
41 agencies are authorized to enter into leases and  
42 agreements with respect to the network for their use  
43 and operation. Rentals and other amounts due under  
44 the agreements or leases entered into pursuant to this  
45 section by a state agency are payable from funds  
46 annually appropriated by the general assembly or from  
47 other funds legally available. Other public agencies  
48 may pay the rental costs and other amounts due under  
49 an agreement or lease from their annual budgeted funds  
50 or other funds legally available or to become

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1 available. This section comprises a complete and  
2 independent authorization and procedure for a public  
3 agency, with the approval of the commission, to enter  
4 into a lease or agreement and related security  
5 enhancement arrangements and this section is not a  
6 qualification of any other powers which a public  
7 agency may possess and the authorizations and powers  
8 granted under this section are not subject to the  
9 terms, requirements, or limitations of any other  
10 provisions of law. All moneys received by the  
11 commission from agreements and leases entered into  
12 pursuant to this section with private and public  
13 agencies shall be deposited in the Iowa communications  
14 network fund.

15 Sec. 3. Section 8D.13, Code Supplement 1995, is  
16 amended by adding the following new subsections:

17 NEW SUBSECTION. 12A. Access to the network shall  
18 not be permitted by an originating site or any  
19 receiving site associated with an interactive video  
20 application of the network unless at least one of the  
21 entities participating in the interactive video  
22 application is an authorized user of the network. For  
23 purposes of this subsection, a public or private  
24 agency authorized to access the network is not deemed  
25 to be an authorized user for purposes of the  
26 interactive video application or use if the public or  
27 private agency only provides its facility for use as  
28 the originating site or as a receiving site.

29 NEW SUBSECTION. 17A. Access to the network shall  
30 be offered to the department of public safety and the  
31 department of public defense for the purpose of  
32 establishing and operating a network to be used  
33 exclusively for shared data providing law enforcement,  
34 emergency management, disaster service, emergency  
35 warning, and other emergency information dissemination  
36 services to federal, state, and local law enforcement  
37 agencies as provided in section 80.9, and local  
38 emergency management offices established under the  
39 authority of sections 29C.9 and 29C.10.

40 Sec. 4. Section 68B.35, subsection 2, paragraph e,  
41 Code 1995, is amended to read as follows:

42 e. Members of the banking board, the ethics and  
43 campaign disclosure board, the credit union review  
44 board, the economic development board, the employment  
45 appeal board, the environmental protection commission,  
46 the health facilities council, the Iowa business  
47 investment corporation board of directors, the Iowa  
48 finance authority, the Iowa seed capital corporation,  
49 the Iowa public employees' retirement system  
50 investment board, the lottery board, the natural

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1 resource commission, the board of parole, the  
2 petroleum underground storage tank fund board, the  
3 public employment relations board, the state racing  
4 and gaming commission, the state board of regents, the  
5 tax review board, the transportation commission, the  
6 office of consumer advocate, the utilities board, the  
7 Iowa telecommunications and technology commission, and  
8 any full-time members of other boards and commissions  
9 as defined under section 7E.4 who receive an annual  
10 salary for their service on the board or commission.

11 Sec. 5. INTERIM STUDY. The legislative council is  
12 requested to establish an interim study for the  
13 purpose of determining the appropriate uses of the  
14 Iowa communications network. The committee appointed  
15 to complete this study shall consult with the  
16 commission and other appropriate individuals in  
17 conducting this study.

18 Sec. 6. APPOINTMENT OF NEW MEMBER -- EFFECT ON  
19 EXISTING MEMBERSHIP.

20 1. Notwithstanding section 8D.3, subsection 2, as  
21 amended by this Act, which provides for the  
22 appointment to the Iowa telecommunications and  
23 technology commission of two members who are  
24 knowledgeable in the area of telecommunications  
25 technology, members serving on the commission on the  
26 effective date of this Act shall be permitted to serve  
27 their full term. Upon expiration of the first term of  
28 a commission member following the effective date of  
29 this Act, a person shall be appointed to the  
30 commission who is knowledgeable in the area of  
31 telecommunications technology.

32 2. One new member to be appointed who is  
33 knowledgeable in the area of telecommunications  
34 technology shall be appointed for an initial term of  
35 three years."

36 2. Title page, line 2, by inserting after the  
37 word "commission" the following: ", and providing for  
38 matters related to the authority and duties of the  
39 commission".

By BRUNKHORST of Bremer  
HARRISON of Scott

H-5705 FILED MARCH 27, 1996

*Adopted as amended 4/1/96 (p. 1496)*

## SENATE FILE 2147

H-5739

1 Amend the amendment, H-5705, to Senate File 2147,  
2 as passed by the Senate, as follows:

3 1. Page 3, by inserting after line 39 the  
4 following:

5 "Sec. \_\_\_\_ . NEW SECTION. 8D.20 CIVIL PENALTIES  
6 ESTABLISHED BY COMMISSION FOR UNAUTHORIZED USE.

7 1. The commission shall establish, by rule, a  
8 schedule or range of civil penalties which may be  
9 administratively assessed for the unauthorized use of  
10 the network. The schedule shall provide procedures  
11 and criteria for the administrative assessment of  
12 penalties of not more than ten thousand dollars for a  
13 violation of chapter 8D or rules adopted under chapter  
14 8D related to the unauthorized use of the network.  
15 The penalties shall be applicable to both authorized  
16 and unauthorized users. In adopting a schedule or  
17 range of penalties and in proposing or assessing a  
18 penalty, the commission shall consider among other  
19 relevant factors the gravity of the violation and the  
20 degree of culpability of the violator.

21 Penalties may be administratively assessed only  
22 after an opportunity for a contested case hearing  
23 which may be combined with a hearing on the merits of  
24 the alleged violation. Violations not fitting within  
25 the schedule, or violations which the commission  
26 determines should be referred to the attorney general  
27 for legal action shall not be governed by the schedule  
28 established under this subsection.

29 2. A penalty shall be paid within thirty days of  
30 the date the order assessing the penalty becomes  
31 final. When a person against whom a civil penalty is  
32 assessed under this section seeks timely judicial  
33 review of an order imposing the penalty as provided  
34 under chapter 17A, the order is not final for the  
35 purposes of this section until all judicial review  
36 processes are completed. Additional judicial review  
37 shall not be sought after the order becomes final. A  
38 person who fails to timely pay a civil penalty  
39 assessed by a final order of the commission shall pay,  
40 in addition, interest at the rate of one and one-half  
41 percent of the unpaid balance of the assessed penalty  
42 for each month or part of a month that the penalty  
43 remains unpaid. The attorney general shall institute,  
44 at the request of the commission, summary proceedings  
45 to recover the penalty and any accrued interest.

46 3. All civil penalties assessed by the commission  
47 and interest on the penalties shall be deposited in  
48 the general fund of the state.

49 4. This section does not require the commission to  
50 pursue an administrative remedy before seeking a

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- 1 remedy in the courts of this state.
- 2 5. The civil penalties established in this section
- 3 are in addition to any criminal penalty which may
- 4 apply."
- 5 2. Page 4, line 37, by striking the word "and".
- 6 3. Page 4, line 39, by inserting after the word
- 7 "commission" the following: ", and providing for
- 8 civil penalties".
- 9 4. By renumbering as necessary.

By KREIMAN of Davis

H-5739 FILED APRIL 1, 1996

*Adopted (p. 1195)*

SENATE FILE 2147

H-5743

- 1 Amend the amendment, H-5705, to Senate File 2147,
- 2 as passed by the Senate, as follows:
- 3 1. Page 3, line 28, by inserting after the word
- 4 "site." the following: "Program content for video
- 5 traffic is the responsibility of the requesting
- 6 authorized user. For purposes of this subsection,
- 7 "requesting authorized user" means the authorized user
- 8 initiating the network scheduling request regardless
- 9 of the specific site from which the event originates.
- 10 Scheduling on the network is limited to authorized
- 11 users only. Scheduling by a requesting authorized
- 12 user constitutes certification by such user that the
- 13 traffic is part of the mission of that authorized
- 14 user. The commission and its advisory committees, as
- 15 defined in this chapter, shall establish policy
- 16 statements for each authorized user group which define
- 17 authorized uses of the network that are consistent
- 18 with the mission of the authorized user group."

By MYERS of Johnson

H-5743 FILED APRIL 1, 1996

*Adopted (p. 1196)*

## SENATE FILE 2147

H-5737

- 1 Amend the amendment, H-5705, to Senate File 2147,  
2 as passed by the Senate, as follows:
- 3 1. Page 1, line 8, by striking the words "five  
4 members, of which four" and inserting the following:  
5 "six members, of which five".
- 6 2. Page 1, line 13, by striking the words "Two  
7 members" and inserting the following: "One member".
- 8 3. Page 1, line 18, by striking the word "four"  
9 and inserting the following: "five".
- 10 4. Page 1, line 25, by striking the word "four"  
11 and inserting the following: "five".
- 12 5. Page 1, line 34, by striking the word "four"  
13 and inserting the following: "five".
- 14 6. Page 1, line 36, by striking the words  
15 "nonvoting, ex-officio voting" and inserting the  
16 following: "nonvoting, ex-officio".
- 17 7. Page 4, by striking lines 18 through 35 and  
18 inserting the following:  
19 "Sec. \_\_\_\_ . APPOINTMENT OF NEW MEMBERS.
- 20 1. One new member to be appointed pursuant to  
21 section 8D.3, subsection 2, as amended by this Act  
22 shall be appointed for an initial term of four years.
- 23 2. One new member to be appointed pursuant to  
24 section 8D.3, subsection 2, as amended by this Act  
25 shall be appointed for an initial term of two years."
- By BRUNKHORST of Bremer

H-5737 FILED APRIL 1, 1996

*Adopted (p. 1193)*

## SENATE FILE 2147

H-5723

1 Amend the amendment, H-5705, to Senate File 2147,  
2 as passed by the Senate, as follows:

3 1. Page 3, by inserting after line 39 the  
4 following:

5 "Sec. \_\_\_\_ . NEW SECTION. 8D.20 CRIMINAL PENALTY  
6 -- THEFT OF SERVICES.

7 1. a. It is unlawful for any person to do either  
8 of the following:

9 (1) Knowingly and without authorization access the  
10 network.

11 (2) Knowingly provide false or misleading  
12 information to network administrators for the purpose  
13 of obtaining authorized access to the network.

14 b. A person violating this provision commits theft  
15 and is guilty of a serious misdemeanor.

16 2. A complaint regarding a violation of this  
17 section shall be filed with the county attorney in the  
18 county where the person is located at the time of  
19 accessing the network which is in violation of this  
20 section."

21 2. Page 4, line 39, by inserting after the word  
22 "commission" the following: ", and providing a  
23 penalty".

24 3. By renumbering as necessary.

By KREIMAN of Davis

H-5723 FILED MARCH 28, 1996

*Adopted 4/1/96 (p. 1194)*

*Motion R/c by Harrison*

*Motion prevailed*

*H-5723 — WITHDRAWN (p. 1196)*

HOUSE AMENDMENT TO  
SENATE FILE 2147

S-5615

1 Amend Senate File 2147, as passed by the Senate, as  
2 follows:

3 1. By striking everything after the enacting  
4 clause and inserting the following:

5 "Section 1. Section 8D.3, subsection 2, Code  
6 Supplement 1995, is amended to read as follows:

7 2. MEMBERS. The commission is composed of ~~three~~  
8 six members, of which five members are appointed by  
9 the governor and subject to confirmation by the  
10 senate. Members of the commission shall not serve in  
11 any manner or be employed by an authorized user of the  
12 network or by an entity seeking to do or doing  
13 business with the network. One member of the  
14 commission to be appointed by the governor, however,  
15 shall be knowledgeable in the area of

16 telecommunications technology. The governor shall  
17 appoint a member as the chairperson of the commission  
18 from the ~~three~~ five members appointed by the governor,  
19 subject to confirmation by the senate. Members of the  
20 commission shall serve six-year staggered terms as  
21 designated by the governor and appointments to the  
22 commission are subject to the requirements of sections  
23 69.16, 69.16A, and 69.19. Vacancies shall be filled  
24 by the governor for the duration of the unexpired  
25 term. The salary of the five members of the  
26 commission appointed by the governor shall be twenty  
27 thousand dollars per year, except that the salary of  
28 the chairperson shall be twenty-five thousand dollars  
29 per year. Members of the commission shall also be  
30 reimbursed for all actual and necessary expenses  
31 incurred in the performance of duties as members.

32 Meetings of the commission shall be held at the call  
33 of the chairperson of the commission. In addition to  
34 the five members appointed by the governor, the  
35 auditor of state or the auditor's designee shall serve  
36 as a nonvoting, ~~ex-officio~~ member of the commission.

37 The benefits and salary paid to the members of the  
38 commission shall be adjusted annually equal to the  
39 average of the annual pay adjustments, expense  
40 reimbursements, and related benefits provided under  
41 collective bargaining agreements negotiated pursuant  
42 to chapter 20.

43 Sec. 2. Section 8D.11, subsection 1, Code 1995, is  
44 amended to read as follows:

45 1. The commission may purchase, lease-purchase,  
46 lease, and improve property, and equipment, and  
47 ~~services~~ for telecommunications for public and private  
48 agencies and may dispose of property and equipment  
49 when not necessary for its purposes. However, the  
50 commission shall not enter into a contract for the

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1 purchase, lease-purchase, lease, or improvement of  
2 property, or equipment, ~~or services~~ for  
3 telecommunications pursuant to this subsection in an  
4 amount greater than ~~five-hundred-thousand~~ one million  
5 dollars without prior authorization by a  
6 constitutional majority of each house of the general  
7 assembly, or approval by the legislative council if  
8 the general assembly is not in session. The lease-  
9 purchase agreement may contain provisions, including  
10 interest, term, and obligations to make payments on  
11 the lease-purchase agreements, beyond the budget year  
12 in which the lease-purchase agreement is entered. For  
13 the purpose of funding its obligation to furnish  
14 moneys under a lease-purchase agreement entered into  
15 pursuant to this section, the treasurer of state, with  
16 the assistance of the Iowa telecommunications and  
17 technology commission or the treasurer of state's duly  
18 authorized agent or representative, may enter into a  
19 master lease agreement to borrow moneys to be used to  
20 purchase property or equipment for telecommunications  
21 services for public or private agencies. The  
22 obligations may be in such form, for such term,  
23 bearing such interest, and containing such provisions  
24 as the Iowa telecommunications and technology  
25 commission, in consultation with the treasurer of  
26 state, deems necessary or appropriate. The commission  
27 shall not issue any bonding or other long-term  
28 financing arrangements as defined in section 12.30,  
29 subsection 1, paragraph "b".

30 PARAGRAPH DIVIDED. The commission also shall not  
31 provide or resell communications services to entities  
32 other than public and private agencies. The public or  
33 private agency shall not provide communication  
34 services of the network to another entity unless  
35 otherwise authorized pursuant to this chapter. The  
36 commission may arrange for joint use of available  
37 services and facilities, and may enter into leases and  
38 agreements with private and public agencies with  
39 respect to the Iowa communications network, and public  
40 agencies are authorized to enter into leases and  
41 agreements with respect to the network for their use  
42 and operation. Rentals and other amounts due under  
43 the agreements or leases entered into pursuant to this  
44 section by a state agency are payable from funds  
45 annually appropriated by the general assembly or from  
46 other funds legally available. Other public agencies  
47 may pay the rental costs and other amounts due under  
48 an agreement or lease from their annual budgeted funds  
49 or other funds legally available or to become  
50 available. This section comprises a complete and

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1 independent authorization and procedure for a public  
2 agency, with the approval of the commission, to enter  
3 into a lease or agreement and related security  
4 enhancement arrangements and this section is not a  
5 qualification of any other powers which a public  
6 agency may possess and the authorizations and powers  
7 granted under this section are not subject to the  
8 terms, requirements, or limitations of any other  
9 provisions of law. All moneys received by the  
10 commission from agreements and leases entered into  
11 pursuant to this section with private and public  
12 agencies shall be deposited in the Iowa communications  
13 network fund.

14 Sec. 3. Section 8D.13, Code Supplement 1995, is  
15 amended by adding the following new subsections:

16 NEW SUBSECTION. 12A. Access to the network shall  
17 not be permitted by an originating site or any  
18 receiving site associated with an interactive video  
19 application of the network unless at least one of the  
20 entities participating in the interactive video  
21 application is an authorized user of the network. For  
22 purposes of this subsection, a public or private  
23 agency authorized to access the network is not deemed  
24 to be an authorized user for purposes of the  
25 interactive video application or use if the public or  
26 private agency only provides its facility for use as  
27 the originating site or as a receiving site. Program  
28 content for video traffic is the responsibility of the  
29 requesting authorized user. For purposes of this  
30 subsection, "requesting authorized user" means the  
31 authorized user initiating the network scheduling  
32 request regardless of the specific site from which the  
33 event originates. Scheduling on the network is  
34 limited to authorized users only. Scheduling by a  
35 requesting authorized user constitutes certification  
36 by such user that the traffic is part of the mission  
37 of that authorized user. The commission and its  
38 advisory committees, as defined in this chapter, shall  
39 establish policy statements for each authorized user  
40 group which define authorized uses of the network that  
41 are consistent with the mission of the authorized user  
42 group.

43 NEW SUBSECTION. 17A. Access to the network shall  
44 be offered to the department of public safety and the  
45 department of public defense for the purpose of  
46 establishing and operating a network to be used  
47 exclusively for shared data providing law enforcement,  
48 emergency management, disaster service, emergency  
49 warning, and other emergency information dissemination  
50 services to federal, state, and local law enforcement

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1 agencies as provided in section 80.9, and local  
2 emergency management offices established under the  
3 authority of sections 29C.9 and 29C.10.

4 Sec. 4. NEW SECTION. 8D.20 CIVIL PENALTIES  
5 ESTABLISHED BY COMMISSION FOR UNAUTHORIZED USE.

6 1. The commission shall establish, by rule, a  
7 schedule or range of civil penalties which may be  
8 administratively assessed for the unauthorized use of  
9 the network. The schedule shall provide procedures  
10 and criteria for the administrative assessment of  
11 penalties of not more than ten thousand dollars for a  
12 violation of chapter 8D or rules adopted under chapter  
13 8D related to the unauthorized use of the network.  
14 The penalties shall be applicable to both authorized  
15 and unauthorized users. In adopting a schedule or  
16 range of penalties and in proposing or assessing a  
17 penalty, the commission shall consider among other  
18 relevant factors the gravity of the violation and the  
19 degree of culpability of the violator.

20 Penalties may be administratively assessed only  
21 after an opportunity for a contested case hearing  
22 which may be combined with a hearing on the merits of  
23 the alleged violation. Violations not fitting within  
24 the schedule, or violations which the commission  
25 determines should be referred to the attorney general  
26 for legal action shall not be governed by the schedule  
27 established under this subsection.

28 2. A penalty shall be paid within thirty days of  
29 the date the order assessing the penalty becomes  
30 final. When a person against whom a civil penalty is  
31 assessed under this section seeks timely judicial  
32 review of an order imposing the penalty as provided  
33 under chapter 17A, the order is not final for the  
34 purposes of this section until all judicial review  
35 processes are completed. Additional judicial review  
36 shall not be sought after the order becomes final. A  
37 person who fails to timely pay a civil penalty  
38 assessed by a final order of the commission shall pay,  
39 in addition, interest at the rate of one and one-half  
40 percent of the unpaid balance of the assessed penalty  
41 for each month or part of a month that the penalty  
42 remains unpaid. The attorney general shall institute,  
43 at the request of the commission, summary proceedings  
44 to recover the penalty and any accrued interest.

45 3. All civil penalties assessed by the commission  
46 and interest on the penalties shall be deposited in  
47 the general fund of the state.

48 4. This section does not require the commission to  
49 pursue an administrative remedy before seeking a  
50 remedy in the courts of this state.

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1 5. The civil penalties established in this section  
2 are in addition to any criminal penalty which may  
3 apply.

4 Sec. 5. Section 68B.35, subsection 2, paragraph e,  
5 Code 1995, is amended to read as follows:

6 e. Members of the banking board, the ethics and  
7 campaign disclosure board, the credit union review  
8 board, the economic development board, the employment  
9 appeal board, the environmental protection commission,  
10 the health facilities council, the Iowa business  
11 investment corporation board of directors, the Iowa  
12 finance authority, the Iowa seed capital corporation,  
13 the Iowa public employees' retirement system  
14 investment board, the lottery board, the natural  
15 resource commission, the board of parole, the  
16 petroleum underground storage tank fund board, the  
17 public employment relations board, the state racing  
18 and gaming commission, the state board of regents, the  
19 tax review board, the transportation commission, the  
20 office of consumer advocate, the utilities board, the  
21 Iowa telecommunications and technology commission, and  
22 any full-time members of other boards and commissions  
23 as defined under section 7E.4 who receive an annual  
24 salary for their service on the board or commission.

25 Sec. 6. INTERIM STUDY. The legislative council is  
26 requested to establish an interim study for the  
27 purpose of determining the appropriate uses of the  
28 Iowa communications network. The committee appointed  
29 to complete this study shall consult with the  
30 commission and other appropriate individuals in  
31 conducting this study.

32 Sec. 7. APPOINTMENT OF NEW MEMBERS.

33 1. One new member to be appointed pursuant to  
34 section 8D.3, subsection 2, as amended by this Act  
35 shall be appointed for an initial term of four years.

36 2. One new member to be appointed pursuant to  
37 section 8D.3, subsection 2, as amended by this Act  
38 shall be appointed for an initial term of two years.

39 2. Title page, line 2, by inserting after the  
40 word "commission" the following: ", providing for  
41 matters related to the authority and duties of the  
42 commission, and providing for civil penalties".

RECEIVED FROM THE HOUSE

S-5615 FILED APRIL 1, 1996

*Adopted 4-16-96 - Motion to R/c by Brunstad 4-29-96 (P 1529)  
Motion prevailed 4-29-96 (P.1529)*

*(P. 1409)*

*Senate Concurred  
4-29-96 (P. 1530)*

SENATE FILE 2147

S-5803

- 1 Amend the amendment, S-5792, to the House
- 2 amendment, S-5615, to Senate File 2147, as passed by
- 3 the Senate, as follows:
- 4 1. By striking page 3, line 31, through page 4,
- 5 line 12.
- 6 2. By renumbering as necessary.

By DERRYL McLAREN

S-5803 FILED APRIL 16, 1996  
ADOPTED 4-16-96 (p.1407)

SENATE FILE 2147

S-5850

- 1 Amend the House amendment, S-5615, to Senate File
- 2 2147, as passed by the Senate, as follows:
- 3 1. By striking page 1, line 43, through page 3,
- 4 line 13.
- 5 2. By renumbering as necessary.

By MICHAEL E. GRONSTAL  
ROBERT DVORSKY

(p.1530) O/O/Order 4/29/96

S-5850 FILED APRIL 25, 1996

SENATE FILE 2147

S-5853

- 1 Amend the amendment, S-5792, to the House
- 2 amendment, S-5615, to Senate File 2147, as passed by
- 3 the Senate, as follows:
- 4 1. By striking page 1, line 39, through page 3,
- 5 line 9.
- 6 2. By renumbering as necessary.

By MICHAEL E. GRONSTAL  
ROBERT DVORSKY

Adapted 4/29/96 (p.1529)

S-5853 FILED APRIL 26, 1996

SENATE FILE 2147

S-5857

- 1 Amend the amendment, S-5792, to House amendment, S-
- 2 5615, to Senate File 2147, as passed by the Senate, as
- 3 follows:
- 4 1. Page 3, by inserting after line 30 the
- 5 following:
- 6 "Sec. \_\_\_\_ . 1996 Iowa Acts, Senate File 2366,
- 7 section 1, if enacted, is repealed."
- 8 2. By renumbering as necessary.

By DERRYL McLAREN

S-5857 FILED APRIL 29, 1996  
RULED OUT OF ORDER (p.1530)

S-5792

1 Amend the House amendment, S-5615, to Senate File  
2 2147, as passed by the Senate, as follows:

3 1. By striking page 1, line 5, through page 5,  
4 line 42, and inserting the following:

5 ""Section 1. Section 8D.3, subsection 2, Code  
6 Supplement 1995, is amended to read as follows:

7 2. MEMBERS. The commission is composed of ~~three~~  
8 five members appointed by the governor and subject to  
9 confirmation by the senate. Members of the commission  
10 shall not serve in any manner or be employed by an  
11 authorized user of the network or by an entity seeking  
12 to do or doing business with the network. The  
13 governor shall appoint a member as the chairperson of  
14 the commission from the ~~three~~ five members appointed  
15 by the governor, subject to confirmation by the  
16 senate. Members of the commission shall serve six-  
17 year staggered terms as designated by the governor and  
18 appointments to the commission are subject to the  
19 requirements of sections 69.16, 69.16A, and 69.19.  
20 Vacancies shall be filled by the governor for the  
21 duration of the unexpired term. The salary of the  
22 members of the commission shall be twenty thousand  
23 dollars per year, except that the salary of the  
24 chairperson shall be twenty-five thousand dollars per  
25 year. Members of the commission shall also be  
26 reimbursed for all actual and necessary expenses  
27 incurred in the performance of duties as members.  
28 Meetings of the commission shall be held at the call  
29 of the chairperson of the commission. In addition to  
30 the members appointed by the governor, the auditor of  
31 state or the auditor's designee shall serve as a  
32 nonvoting, ex officio member of the commission.

33 The benefits and salary paid to the members of the  
34 commission shall be adjusted annually equal to the  
35 average of the annual pay adjustments, expense  
36 reimbursements, and related benefits provided under  
37 collective bargaining agreements negotiated pursuant  
38 to chapter 20.

39 Sec. 2. Section 8D.11, subsection 1, Code 1995, is  
40 amended to read as follows:

41 1. The commission may purchase, lease-purchase,  
42 lease, and improve property, and equipment, ~~and~~  
43 ~~services~~ for telecommunications for public and private  
44 agencies and may dispose of property and equipment  
45 when not necessary for its purposes. However, the  
46 commission shall not enter into a contract for the  
47 purchase, lease-purchase, lease, or improvement of  
48 property, or equipment, ~~or services~~ for  
49 telecommunications pursuant to this subsection in an  
50 amount greater than five hundred thousand one million

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1 dollars without prior authorization by a  
2 constitutional majority of each house of the general  
3 assembly, or approval by the legislative council if  
4 the general assembly is not in session. The lease-  
5 purchase agreement may contain provisions, including  
6 interest, term, and obligations to make payments on  
7 the lease-purchase agreements, beyond the budget year  
8 in which the lease-purchase agreement is entered. For  
9 the purpose of funding its obligation to furnish  
10 moneys under a lease-purchase agreement entered into  
11 pursuant to this section, the treasurer of state, with  
12 the assistance of the Iowa telecommunications and  
13 technology commission or the treasurer of state's duly  
14 authorized agent or representative, may enter into a  
15 master lease agreement to borrow moneys to be used to  
16 purchase property or equipment for telecommunications  
17 services for public or private agencies. The  
18 obligations may be in such form, for such term,  
19 bearing such interest, and containing such provisions  
20 as the Iowa telecommunications and technology  
21 commission, in consultation with the treasurer of  
22 state, deems necessary or appropriate. The commission  
23 shall not issue any bonding or other long-term  
24 financing arrangements as defined in section 12.30,  
25 subsection 1, paragraph "b".

26 PARAGRAPH DIVIDED. The commission also shall not  
27 provide or resell communications services to entities  
28 other than public and private agencies. The public or  
29 private agency shall not provide communication  
30 services of the network to another entity unless  
31 otherwise authorized pursuant to this chapter. The  
32 commission may arrange for joint use of available  
33 services and facilities, and may enter into leases and  
34 agreements with private and public agencies with  
35 respect to the Iowa communications network, and public  
36 agencies are authorized to enter into leases and  
37 agreements with respect to the network for their use  
38 and operation. Rentals and other amounts due under  
39 the agreements or leases entered into pursuant to this  
40 section by a state agency are payable from funds  
41 annually appropriated by the general assembly or from  
42 other funds legally available. Other public agencies  
43 may pay the rental costs and other amounts due under  
44 an agreement or lease from their annual budgeted funds  
45 or other funds legally available or to become  
46 available. This section comprises a complete and  
47 independent authorization and procedure for a public  
48 agency, with the approval of the commission, to enter  
49 into a lease or agreement and related security  
50 enhancement arrangements and this section is not a

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1 qualification of any other powers which a public  
2 agency may possess and the authorizations and powers  
3 granted under this section are not subject to the  
4 terms, requirements, or limitations of any other  
5 provisions of law. All moneys received by the  
6 commission from agreements and leases entered into  
7 pursuant to this section with private and public  
8 agencies shall be deposited in the Iowa communications  
9 network fund.

10 Sec. 3. Section 68B.35, subsection 2, paragraph e,  
11 Code 1995, is amended to read as follows:

12 e. Members of the banking board, the ethics and  
13 campaign disclosure board, the credit union review  
14 board, the economic development board, the employment  
15 appeal board, the environmental protection commission,  
16 the health facilities council, the Iowa business  
17 investment corporation board of directors, the Iowa  
18 finance authority, the Iowa seed capital corporation,  
19 the Iowa public employees' retirement system  
20 investment board, the lottery board, the natural  
21 resource commission, the board of parole, the  
22 petroleum underground storage tank fund board, the  
23 public employment relations board, the state racing  
24 and gaming commission, the state board of regents, the  
25 tax review board, the transportation commission, the  
26 office of consumer advocate, the utilities board, the  
27 Iowa telecommunications and technology commission, and  
28 any full-time members of other boards and commissions  
29 as defined under section 7E.4 who receive an annual  
30 salary for their service on the board or commission.

31 Sec. 4. TASK FORCE ESTABLISHED.

32 1. The Iowa telecommunications and technology  
33 commission established in section 8D.3 shall  
34 coordinate and assist in the completion of a task  
35 force study concerning the provision of access to the  
36 network to authorized users, including access to the  
37 Internet. The study shall include a review of any  
38 legal and practical issues which are identified by the  
39 commission or the individual members of the task force  
40 created to conduct the study.

41 2. a. The Iowa telecommunications and technology  
42 commission shall establish a task force to conduct the  
43 study under subsection 1 composed of public members as  
44 deemed appropriate by the commission.

45 b. In addition to the public members appointed by  
46 the commission under paragraph "a", the majority and  
47 minority leaders in the senate and the speaker and the  
48 minority leader in the house of representatives shall  
49 appoint one member each to serve on the task force.  
50 The legislative appointees are eligible for per diem

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1 and actual expenses in the fulfillment of their duties  
 2 as members of the task force.  
 3 3. The Iowa telecommunications and technology  
 4 commission shall utilize funds from the appropriation  
 5 for the study relating to the sale or conversion of  
 6 the network contained in 1995 Iowa Acts, chapter 210,  
 7 section 4, subsection 3, that remain unencumbered and  
 8 unobligated on the effective date of this section, for  
 9 the completion of the study to be conducted pursuant  
 10 to this section.

11 4. This section, being deemed of immediate  
 12 importance, takes effect upon enactment.

13 Sec. 5. INITIAL APPOINTMENTS OF NEW COMMISSION  
 14 MEMBERS. The two new members of the Iowa  
 15 telecommunications and technology commission provided  
 16 for in section 1 of this Act shall be appointed on or  
 17 before July 1, 1996, to the following terms:

18 1. One member shall be appointed for a term of  
 19 five years.

20 2. One member shall be appointed for a term of  
 21 three years."

22 2. Title page, line 2, by inserting after the  
 23 word "commission" the following: ", providing for  
 24 matters relating to the authority and duties of the  
 25 commission, and providing an effective date".

By ROBERT DVORSKY

S-5792 FILED APRIL 16, 1996

ADOPTED 4/16/96 (P. 1408) - Motion to Rk - Motion prevailed 4/29/96 (P. 1529)

(P. 1530) adopted 4/29/96 SENATE FILE 2147

S-5802

1 Amend the amendment, S-5792, to the House  
 2 amendment, S-5615, to Senate File 2147, as passed by  
 3 the Senate, as follows:

4 1. Page 1, line 22, by striking the word "twenty"  
 5 and inserting the following: "twenty twelve".

6 2. Page 1, line 24, by striking the word "twenty-  
 7 five" and inserting the following: "twenty-five  
 8 seventeen".

9 3. By renumbering as necessary.

By DERRYL McLAREN  
TOM FLYNN

S-5802 FILED APRIL 16, 1996

ADOPTED

(P. 1407)

SENATE AMENDMENT TO HOUSE AMENDMENT TO  
SENATE FILE 2147

H-6055

1 Amend the House amendment, S-5615, to Senate File  
2 2147, as passed by the Senate, as follows:

3 1. By striking page 1, line 5, through page 5,  
4 line 42, and inserting the following:

5 ""Section 1. Section 8D.3, subsection 2, Code  
6 Supplement 1995, is amended to read as follows:

7 2. MEMBERS. The commission is composed of ~~three~~  
8 five members appointed by the governor and subject to  
9 confirmation by the senate. Members of the commission  
10 shall not serve in any manner or be employed by an  
11 authorized user of the network or by an entity seeking  
12 to do or doing business with the network. The  
13 governor shall appoint a member as the chairperson of  
14 the commission from the ~~three~~ five members appointed  
15 by the governor, subject to confirmation by the  
16 senate. Members of the commission shall serve six-  
17 year staggered terms as designated by the governor and  
18 appointments to the commission are subject to the  
19 requirements of sections 69.16, 69.16A, and 69.19.  
20 Vacancies shall be filled by the governor for the  
21 duration of the unexpired term. The salary of the  
22 members of the commission shall be ~~twenty~~ twenty twelve  
23 thousand dollars per year, except that the salary of  
24 the chairperson shall be ~~twenty-five~~ seventeen  
25 thousand dollars per year. Members of the commission  
26 shall also be reimbursed for all actual and necessary  
27 expenses incurred in the performance of duties as  
28 members. Meetings of the commission shall be held at  
29 the call of the chairperson of the commission. In  
30 addition to the members appointed by the governor, the  
31 auditor of state or the auditor's designee shall serve  
32 as a nonvoting, ex officio member of the commission.

33 The benefits and salary paid to the members of the  
34 commission shall be adjusted annually equal to the  
35 average of the annual pay adjustments, expense  
36 reimbursements, and related benefits provided under  
37 collective bargaining agreements negotiated pursuant  
38 to chapter 20.

39 Sec. 2. Section 68B.35, subsection 2, paragraph e,  
40 Code 1995, is amended to read as follows:

41 e. Members of the banking board, the ethics and  
42 campaign disclosure board, the credit union review  
43 board, the economic development board, the employment  
44 appeal board, the environmental protection commission,  
45 the health facilities council, the Iowa business  
46 investment corporation board of directors, the Iowa  
47 finance authority, the Iowa seed capital corporation,  
48 the Iowa public employees' retirement system  
49 investment board, the lottery board, the natural  
50 resource commission, the board of parole, the

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1 petroleum underground storage tank fund board, the  
 2 public employment relations board, the state racing  
 3 and gaming commission, the state board of regents, the  
 4 tax review board, the transportation commission, the  
 5 office of consumer advocate, the utilities board, the  
 6 Iowa telecommunications and technology commission, and  
 7 any full-time members of other boards and commissions  
 8 as defined under section 7E.4 who receive an annual  
 9 salary for their service on the board or commission.

10 Sec. 3. INITIAL APPOINTMENTS OF NEW COMMISSION  
 11 MEMBERS. The two new members of the Iowa

12 telecommunications and technology commission provided  
 13 for in section 1 of this Act shall be appointed on or  
 14 before July 1, 1996, to the following terms:

15 1. One member shall be appointed for a term of  
 16 five years.

17 2. One member shall be appointed for a term of  
 18 three years."

19 2. Title page, line 2, by inserting after the  
 20 word "commission" the following: ", providing for  
 21 matters relating to the authority and duties of the  
 22 commission, and providing an effective date".

RECEIVED FROM THE SENATE

H-6055 FILED APRIL 30, 1996

*House Concurred*  
*4-30-96 P. 1948*

SENATE FILE 2147

AN ACT

INCREASING THE MEMBERSHIP OF THE IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION, PROVIDING FOR MATTERS RELATING TO THE AUTHORITY AND DUTIES OF THE COMMISSION, AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 8D.3, subsection 2, Code Supplement 1995, is amended to read as follows:

2. MEMBERS. The commission is composed of three five members appointed by the governor and subject to confirmation by the senate. Members of the commission shall not serve in any manner or be employed by an authorized user of the network or by an entity seeking to do or doing business with the network. The governor shall appoint a member as the chairperson of the commission from the three five members appointed by the governor, subject to confirmation by the senate. Members of the commission shall serve six-year staggered terms as designated by the governor and appointments to the commission are subject to the requirements of sections 69.16, 69.16A, and 69.19. Vacancies shall be filled by the governor for the duration of the unexpired term. The salary of the members of the commission shall be twenty twelve thousand dollars per year, except that the salary of the chairperson shall be twenty-five seventeen thousand dollars per year. Members of the commission shall also be reimbursed

for all actual and necessary expenses incurred in the performance of duties as members. Meetings of the commission shall be held at the call of the chairperson of the commission. In addition to the members appointed by the governor, the auditor of state or the auditor's designee shall serve as a nonvoting, ex officio member of the commission.

The benefits and salary paid to the members of the commission shall be adjusted annually equal to the average of the annual pay adjustments, expense reimbursements, and related benefits provided under collective bargaining agreements negotiated pursuant to chapter 20.

Sec. 2. Section 68B.35, subsection 2, paragraph e, Code 1995, is amended to read as follows:

e. Members of the banking board, the ethics and campaign disclosure board, the credit union review board, the economic development board, the employment appeal board, the environmental protection commission, the health facilities council, the Iowa business investment corporation board of directors, the Iowa finance authority, the Iowa seed capital corporation, the Iowa public employees' retirement system investment board, the lottery board, the natural resource commission, the board of parole, the petroleum underground storage tank fund board, the public employment relations board, the state racing and gaming commission, the state board of regents, the tax review board, the transportation commission, the office of consumer advocate, the utilities board, the Iowa telecommunications and technology commission, and any full-time members of other boards and commissions as defined under section 7E.4 who receive an annual salary for their service on the board or commission.

Sec. 3. INITIAL APPOINTMENTS OF NEW COMMISSION MEMBERS. The two new members of the Iowa telecommunications and technology commission provided for in section 1 of this Act shall be appointed on or before July 1, 1996, to the following terms:

1. One member shall be appointed for a term of five years.

2. One member shall be appointed for a term of three years.

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LEONARD L. BOSWELL  
President of the Senate

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RON J. CORBETT  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2147, Seventy-sixth General Assembly.

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JOHN F. DWYER  
Secretary of the Senate

Approved May 30, 1996

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TERRY E. BRANSTAD  
Governor